

Interest rates for your PayFlex HSA

One of the benefits of your Health Savings Account (HSA) is that it earns interest, tax-free. In early 2017, your PayFlex HSA interest rate was 0.25%. Effective March 1, 2017, your HSA changed to tiered interest rates. This means your rate depends on your HSA balance. The more money you save in your HSA, the higher your interest rate may be. Below are the new rates.

| HSA Balance | Interest Rate (Effective March 1, 2017) |
|--------------------------|--|
| \$0.01 - \$2,000.00 | 0.05% |
| \$2,000.01 - \$7,500.00 | 0.10% |
| \$7,500.01 - \$10,000.00 | 0.20% |
| Over \$10,000.00 | 0.40% |

Is it better to spend or save?

According to Fidelity's Retiree Health Care Cost Estimate, a 65-year-old couple retiring in 2016 will need an estimated \$260,000¹ to cover health care costs in retirement. An HSA is a great way to save for future expenses, and even into retirement. Remember, unused funds roll over from year to year. And your HSA stays with you, even if you switch employers, change health plans or retire.

On the other hand, you may have expenses that you need to take care of now. And that's OK. HSAs have a tax advantage that other savings plans don't. Money you put in your HSA isn't taxed. And money taken out isn't taxed if you use it for eligible health care expenses.

Whether you're a spender or a saver, be sure to check out your HSA investment options. This can be a good way for you to grow your HSA balance. And the best part is, you can do it all through the PayFlex member website.

Questions?

If you have any questions, visit the PayFlex member website at www.payflex.com or call Member Services at 1-888-678-8242, Monday – Friday, 7:00am – 7:00pm CST, or Saturday, 9:00am – 2:00pm CST.