



Planning for life after work

What you should know about retiring with your HSA

Health care expenses are one of the top financial worries in retirement — especially for people with health conditions. As you're planning for the future, think about how your Optum Financial health savings account (HSA) can help ease your mind and prepare you for retirement by saving money tax free.

Wondering how much you might need to save?

Good question. Here are the projected lifetime retirement health care costs:

\$673K

For a 65-year-old couple retiring today

\$1.07M

For a 55-year-old couple retiring in 10 years

\$1.8M

For a 45-year-old couple retiring in 20 years

Looking for a personalized estimate?

Take the Optum Financial Health Savings Checkup at optumbank.com/disney. Answer a few questions about your health, your HSA activity and retirement goals, and you'll receive a personalized snapshot of your potential health care expenses in retirement. You'll also get ideas to help you stay healthy, spend less and save more.

Investing with your Disney HSA

Once your HSA reaches the \$2,000 investment threshold, you may choose to invest a portion of your HSA dollars in mutual funds. You can invest any balance over \$2,000, in \$100 increments. Any investment earnings such as interest or dividends are income tax free. This gives you the potential to grow your HSA retirement savings even more. There's a wide array of mutual funds to choose from at optumbank.com/disney.

Catch-up contributions

Once you turn 55, you can contribute an additional \$1,000 each year to your HSA, called a catch-up contribution. If you and your spouse are both over the age of 55, you can each contribute an additional \$1,000. Your spouse will just need to open their own HSA for their additional portion.

HSAs and Medicare

The benefits of an HSA don't stop when you retire. While you are no longer allowed to contribute to your HSA after enrolling in Medicare, you can still use your HSA funds income tax free to pay for qualified medical expenses. You can also use your HSA to pay for Medicare premiums and qualified out-of-pocket expenses, including deductibles, copays and coinsurance for:

- Part A (hospital and inpatient care)
- Part B (doctor and outpatient care)
- Part D (prescription drugs)

Keep in mind that Medicare does not cover hearing aids or vision, dental or nursing home care.

Withdrawing funds during retirement

You can use the money in your HSA to pay for qualified medical expenses at any time. Once you turn 65, however, you can withdraw the money from your HSA for nonqualified expenses without a penalty. You will just be required to pay ordinary income tax on that amount.

Go to optumbank.com/disney to learn more.

Chris saves for retirement with the HSA.

Chris is 60 and preparing for retirement. For the past 5 years, they have been contributing the maximum amount allowed by the IRS. See how fast the account balance has grown — and how much has been saved on taxes.²

Total contributions

\$38,600

over the past 5 years



Saved over

\$14,530

on taxes in the past 5 years

Investments are not FDIC insured, are not bank issued or guaranteed by Optum Financial or its subsidiaries, including Optum Bank, and are subject to risk, including fluctuations in value and the possible loss of the principal amount invested.

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1. HealthView Services: 2022 Retirement Health Care Costs Data Report

2. Contributions are based on IRS contribution limits for family coverage from 2014-2018 and include catch-up contributions. Tax savings assumes a 25% federal tax rate, 5% state tax rate and 7.65% FICA.

Hypothetical example is for illustrative purposes only. All events, persons and results described herein are entirely fictitious and amounts will vary depending on your unique circumstances.

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