GoHealth: Five Steps to Opening a Health Savings Account

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CHICAGO, IL–(Marketwired – Apr 11, 2013) – Health care costs in America are rising at a higher rate than household incomes. In response to this disproportionate rise, consumers are increasingly opening Health Savings Accounts (HSAs) to help pay for medical expenses. Health plans that are compatible with HSAs are attractive to consumers because of their lower monthly premiums. The tradeoff, however, is that these plans carry a high deductible. With an HSA, you can save funds to help meet that deductible if ever necessary.
GoHealth, the leading online marketplace for individuals and families to compare health insurance quotes, has a list of five steps that people considering an HSA should pay attention to.

"The invention of HSAs came from two main problems with the health care system today — 1) the cost of medical care is rising too quickly and 2) none of us are empowered enough to be responsible health care consumers," says Mark Colwell, Manager of Consumer Marketing at GoHealth. "Opening an HSA forces consumers to take a more active role in their health care spending — which is an important factor in fixing our current system."

Step One: Learn the basics.
An HSA is a savings account available to American taxpayers who have health insurance coverage under a high-deductible plan. Funds contributed to the account are not subject to federal taxes and are meant to be used solely on qualified medical expenses. HSA funds also earn interest and rollover year after year if not used.

Step Two: Find out if you are eligible.
To be eligible to open an HSA, you must:

- Be covered by an HSA-compatible health insurance plan with a high deductible
- Not be enrolled in Medicare
- Not be claimed as a dependent on someone else's taxes
- Not be covered under any other non-high deductible health plan

Step Three: Get real about your budget.
In order for an HSA to be beneficial, you have to have funds to contribute in the first place. An HSA is simply a savings account to help put away dedicated funds for health care. If realistically, you will not have enough money to add, then an HSA is not the right choice for you.

Step Four: Choose how to enroll.
While you can enroll in an HSA on your own at any time, they are often available through your employer during their open enrollment period. By law, a third party financial institution such as a bank or a credit union has to manage your HSA.

Step Five: Start contributing.
For 2013, the maximum amount an individual can add to an HSA is $3,250. Families can contribute a maximum amount of $6,450. Account holders over 55 years of age are permitted to add an additional $1,000 per year.

To compare health insurance rates and plans in your area, click here.

About GoHealth
GoHealth and its customer-facing website GoHealthInsurance.com is a health insurance technology platform, working with over 100 health insurance companies and more than 10,000 licensed agents across the United States. Since the company's founding in 2001, the GoHealth platform has helped nearly 30 million Americans shop and compare health insurance quotes.

About GoHealth:

As a leading health insurance marketplace, GoHealth's mission is to improve access to healthcare in America. Enrolling in a health insurance plan can be confusing for customers, and the seemingly small differences between plans can lead to significant out-of-pocket costs or lack of access to critical medicines and even providers. GoHealth combines cutting-edge technology, data science and deep industry expertise to match customers with the healthcare policy and carrier that is best for them. Since its inception, GoHealth has enrolled millions of people in Medicare and individual and family plans.