

HSA Video "Design your HSA life" – Generalizing updates
TRANSCRIPT (2021 contribution limit updates) – May 21, 2020
MAP CODE: 3099559 06/2020

Music Throughout

GRAPHIC: Design your HSA for Life. Please see important information at the end of this video. Red Flagscape.

NARRATOR: Everyone's health care path is different.

GRAPHIC: Lifestyle video of a couple and dog hiking. Health Savings Account in white text. HSA in white text.

GRAPHIC: Any person. Any stage. Any budget. White Flagscape.

NARRATOR: The health savings account, also known as an HSA, could benefit...any person... at any stage of life... and with any budget.

GRAPHIC: Red background turns into The HSA for Life words with lifestyle videos showing within letters.

NARRATOR: No matter what path you're on, the HSA for life could support your overall financial wellness both today and in the future.

GRAPHIC: HSA with health care shield icon. Tax-advantaged. Personal account. Qualified plan (HDHP). White background.

NARRATOR: An HSA is a tax-advantaged personal health savings account that works with a high deductible health plan

GRAPHIC: Out-of-pocket expenses. HSA with health care shield icon. Red checkmarks. Doctor visits. Prescriptions. X-rays. Dental or vision. White background.

NARRATOR: to help you plan for out of pocket health care expenses including doctor visits, prescriptions, x-rays and dental or vision needs.

GRAPHIC: Tax-free contributions. Health care in retirement.

Number 1. Save it. Number 2. Use it. Number 3. Never lose it.

Number 1. Save it turns from gray to red.

White background.

NARRATOR: You decide how much to contribute on a tax-free basis to build your savings for health care expenses in retirement.

GRAPHIC: Use today. Qualified expenses.

Number 1. Save it. Number 2. Use it. Number 3. Never lose it.

Number 2. Use it turns from gray to red.

White background.

NARRATOR: You can use it at any time for your qualified health care expense.

GRAPHIC: It's your account change jobs, health plans or retire.

Number 1. Save it. Number 2. Use it. Number 3. Never lose it.

Number 3. Never lose it turns from gray to red.

White background.

NARRATOR: And here's the best part, there are no "use-it-or-lose-it" rules. The account is yours for life – whether you change jobs, health plans or retire.

GRAPHIC: HSA for Life in red with line graphic that drops into view with the words: Save, Spend and Invest dangling and swinging. HSA for Life drops out and is replaced with the word, Choose. All words and line graphic drop out of frame. White background.

NARRATOR: You can design the HSA that's right for your life...and choose from a range of options.

GRAPHIC: The HSA for Life words with lifestyle videos showing within letters. White background.

NARRATOR: Let's start designing.

GRAPHIC: Qualify for an HSA

Checklist icon. High Deductible Health Plan

Checklist icon. Not covered by other health plan

Checklist icon. Cannot be enrolled in Medicare

Checklist icon. May not be claimed as a dependent

White background.

NARRATOR: First, make sure that you qualify to contribute to an HSA according to the IRS requirements. This means you have a high deductible health plan; you're not covered by any other health plan; you're not enrolled in Medicare and you're not claimed as a dependent on anyone else's tax return.

GRAPHIC: 2021 annual contribution limits

Bar chart showing the family annual limit of \$7,200, the individual annual limit of \$3,600 and the catch-up contribution of \$1,000.

White background.

NARRATOR: Now, let's see how much you can save annually to get the full tax advantage, the amount varies depending on whether you have family or individual coverage. And if you're 55 or over, you are also eligible to make an additional catch-up contribution.

GRAPHIC: Red screen with white plus sign and the words Savings account

NARRATOR: But it's more than a savings account.

GRAPHIC: Triple-tax advantaged in red

Large, black, number 1 and Tax-free contributions

Large, black number 2 with tax-free interest and earnings

Large, black number 3 with Tax-free withdrawals

White background.

NARRATOR: It's triple-tax advantaged. Keep more of your hard-earned money when you make tax-free contributions, enjoy tax-free interest and earning potential on your contributions... and pay for qualified health care expenses with tax-free withdrawals.

GRAPHIC: HSA for Life words with lifestyle videos showing within letters. The words “Spend it” appear above and then disappear as the words scroll to the left. White background.

NARRATOR: How and when you spend it is a big part of the HSA for life.

GRAPHIC: The word “Now” appears at the top right above the videos and then the word “Now” is replaced by the words, “Future” and “Retirement.” White background.

NARRATOR: Use it now to pay for your health care expenses or save it for medical expenses during retirement.

GRAPHIC: 65-year-old couple
\$301,000 is in large, red type and grows larger in size on screen
White background.

NARRATOR: Studies show that a 65-year-old couple could need a significant amount to pay for health care expenses when they retire.

GRAPHIC: Maximize your HSA
Red investment icon appears and then the word, “Investments”
Mutual funds and then the number \$1,000 appears in large, red type
White background.

NARRATOR: Knowing this, consider maximizing your HSA with the investment feature. You'll have access to a range of mutual funds after you reach a minimum balance.

GRAPHIC:

Cash Account vs. Investing

Bar chart appears cash and investment amount for three time periods: 10 years, 25 year and 40 years. Investments is indicated by red lines and cash is indicated by blue lines.

10-year investment amount of \$25,483

10-year cash amount of \$20,304

25-year investment amount of \$98,016

25-year cash amount of \$51,924

40-year investment amount of \$248,084

40-year cash amount of \$84,997

White background.

NARRATOR: Let's compare saving \$2,000 annually into a cash account versus investing that amount. Your balance has more potential to grow over time.

Disclaimer: Example is for illustrative purposes only. Assumes a 20% total tax rate in retirement. Consult with your tax or financial advisor to understand the impact of federal, state and local taxes specific to your situation.

GRAPHIC:

Red debit card icon with the words, Debit card

Red computer icon with the words, Online portal

Red mobile fingerprint touch icon with the words, Mobile app

White background.

NARRATOR: When you consider all of the options and tools that make it easy to manage...

GRAPHIC: HSA for Life words with lifestyle videos showing within letters. Words transition to solid red copy. White background.

NARRATOR: You'll see how "The HSA for life" could improve your overall financial well-being.

GRAPHIC: Design your HSA for Life in white letters. Red Flagscape

NARRATOR: Start designing yours now.

GRAPHIC: Bank of America logo on white background

Learn more: saveituseit.com

White background.

NARRATOR: You can find calculators, videos and so much more on our Learning Center.

Disclosures:

¹About Tax Benefits: You can receive tax-free distributions from your HSA to pay or be reimbursed for qualified medical expenses you incur after you establish the HSA. If you receive distributions for other reasons, the amount you withdraw will be subject to income tax and may be subject to an additional 20% tax. Any interest or earnings on the assets in the account are tax-free. You may be able to claim a tax deduction for contributions you, or someone other than your employer, make to your HSA. Certain limits may apply to employees who are considered highly compensated key employees. Bank of America recommends you contact qualified tax or legal counsel before establishing an HSA.

²Withdrawals for non-qualified health care expenses are subject to income tax.

³Qualified health care expenses are those expenses that generally would qualify for the medical and dental expenses deduction. The Internal Revenue Service publishes a list of qualified expenses in Publication 502, Medical and Dental Expenses, available at www.irs.gov.

⁴“Never Lose It” refers to account portability and annual rollover of accumulated assets; it does not imply you cannot lose money. The investment portion of the HSA account is not FDIC insured, not bank guaranteed and may lose value.

⁵ Employee Benefits Research Institute, Issue Brief, no. 481, May 16, 2019. A 65-year-old couple, both with median drug expenses needs \$301,000 to have a 90% chance of having enough money to cover health care expenses (excluding long-term care) in retirement. Savings needed for Medigap Premiums, Medicare Part B Premiums, Medicare Part D Premiums and Out-of-Pocket Drug Expenses for Retirement at age 65 in 2019. A 65-year-old man needs \$144,000 or a 65-year-old woman would need \$163,000 to have to have a 90% chance of having enough money to cover health care expenses (excluding long-term care) in retirement.

⁶Mutual Fund investment offerings for the Bank of America HSA are made available by Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”), a registered broker-dealer, Member SIPC and a wholly owned subsidiary of Bank of America Corporation (“BofA Corp.”). Investments in mutual funds are held in an omnibus account at MLPF&S in the name of Bank of America, N.A. (“BANA”), for the benefit of all HSA account owners. Recommendations as to HSA investment menu options are provided to BANA by the Chief Investment Office (“CIO”), Global Wealth & Investment Management (“GWIM”), a division of BofA Corp. The CIO, which provides investment strategies, due diligence, portfolio construction guidance and wealth management solutions for GWIM clients, is part of the Investment Solutions Group (ISG) of GWIM.

Investments in mutual funds:

ARE NOT FDIC INSURED	ARE NOT BANK ISSUED OR GUARANTEED	MAY LOSE VALUE
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