

# Make a Plan for HSA Success

## How much should you contribute to your health savings account (HSA)?

The answer is different for everyone. Use this worksheet to create a personalized plan that meets your needs. At a minimum, consider contributing at least enough to cover expected qualified medical expenses.<sup>1</sup> **This worksheet can help you estimate your medical budget and possible HSA contribution.** Let's consider the following budget for a hypothetical employee named Sandy.

### STEP 1 Estimate last year's out-of-pocket spending:

**Sandy** pays all her out-of-pocket qualified medical expenses<sup>1</sup> with her HSA debit card, so she simply checks her year-end spending summary—a common HSA feature. She learns that she spent \$3,000 last year. If you didn't use an HSA debit card last year, consider what you spent for medical plan out-of-pocket costs such as deductibles, copays, and coinsurance. You can usually contact your health insurance carrier, or log in to their website, to find out how much you spent for those expenses.

<div style="background-color: #4CAF50; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">SANDY</div> <p><b>Health care spending last year (from HSA):</b> <span style="font-size: 1.2em; font-weight: bold;">\$ 3,000</span></p>	<div style="background-color: #004a6b; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">YOU</div> <p>Money you paid toward your deductible last year <span style="float: right;">\$ _____</span></p> <p>Costs that didn't count toward your deductible (such as co-pays, coinsurance, and other qualified medical expenses paid out of pocket) <span style="float: right;">+ \$ _____</span></p> <p><b>Health care spending last year</b> <span style="float: right;">= \$ _____</span></p>
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### STEP 2 Subtract one-time costs

**Sandy** broke her arm last year. Treatment cost was \$1,500, so she subtracts that amount from her total to get a better idea of her ongoing expenses.

<div style="background-color: #4CAF50; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">SANDY</div> <p>Health care spending last year <span style="float: right;">\$ 3,000</span></p> <p>One-time cost (broken arm) <span style="float: right;">- \$ 1,500</span></p> <p><b>Estimated ongoing expenses</b> <span style="float: right;">= \$ 1,500</span></p>	<div style="background-color: #004a6b; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">YOU</div> <p>Your health care spending last year (from step 1) <span style="float: right;">\$ _____</span></p> <p>One-time cost (Usually available via your health insurance carrier) <span style="float: right;">- \$ _____</span></p> <p><b>Estimated ongoing expenses</b> <span style="float: right;">= \$ _____</span></p>
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### STEP 3 Budget for planned care

Next, **Sandy** adds \$1,000 for some upcoming dental work. If you're not sure how much your planned health care will cost, you may be able to find an estimate online or check with your health insurance provider.

<div style="background-color: #4CAF50; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">SANDY</div> <p>Estimated ongoing expenses <span style="float: right;">\$ 1,500</span></p> <p>Planned health care (dental work) <span style="float: right;">+ \$ 1,000</span></p> <p><b>Projected health care costs</b> <span style="float: right;">= \$ 2,500</span></p>	<div style="background-color: #004a6b; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;">YOU</div> <p>Your estimated ongoing expenses (from step 2) <span style="float: right;">\$ _____</span></p> <p>Estimated cost of planned health care <span style="float: right;">+ \$ _____</span></p> <p><b>Projected health care costs</b> <span style="float: right;">= \$ _____</span></p>
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## STEP 4 Expect the unexpected

Sometimes you can't predict health care needs and costs—but don't worry, your HSA can still help. **Sandy** decides to budget an additional \$1,000 for unforeseen medical expenses.

	Projected health care costs	\$ 2,500		Your projected health care costs (from step 3)	\$ _____
	Savings for unforeseen costs	+ \$ 1,000		Savings for unforeseen costs	+ \$ _____
	<b>Total health care budget</b>	<b>= \$ 3,500</b>		<b>Total health care budget</b>	<b>= \$ _____</b>

### Budget for your HSA contribution

Now that you've estimated your expected medical expenses, you can create a savings plan to make sure you're contributing enough to cover your costs.

BUDGET A Contribute enough to cover your out-of-pocket expenses.	BUDGET B Contribute enough to cover your deductible.	BUDGET C Maximize your contributions up to the applicable limit:
Total health care budget (from step 4)	Deductible	\$4,300 for individual or \$8,550 for family coverage in 2025
Employer contribution	Employer contribution	Catch-up contributions if you're 55 or older, up to \$1,000
Your total contribution <sup>2</sup>	Your total contribution <sup>2</sup>	Employer contribution
Per pay period; for example 12 (monthly) or 26 (biweekly)	Per pay period; for example 12 (monthly) or 26 (biweekly)	Your total contribution <sup>2</sup>
<b>Total pay period contribution</b>	<b>Total pay period contribution</b>	Per pay period; for example 12 (monthly) or 26 (biweekly)
		<b>Total pay period contribution</b>

Even if you start small and contribute just enough to cover your out-of-pocket expenses, consider adding more as your budget allows. Saving a little more can have big benefits in the long term.

And remember, you can pay for lots of everyday medical expenses with your HSA. Not sure which of your expenses are HSA-eligible? Check out ["The Surprising Costs Covered by Your HSA"](#) to learn more.<sup>1</sup>



<sup>1</sup>Funds from a Health Savings Accounts can be spent for qualified medical expenses only as described in IRS Publication 969.

<sup>2</sup>Remember, the combined contributions from you and your employer are subject to applicable limits, for 2025 are up to \$4,300 for individual coverage and \$8,550 for a family coverage.

The information provided herein is general in nature. It is not intended, nor should it be construed, as legal or tax advice. Because the administration of an HSA is a taxpayer responsibility, you are strongly encouraged to consult your tax advisor before opening an HSA. You are also encouraged to review information available from the Internal Revenue Service (IRS) for taxpayers, which can be found on the IRS website at [IRS.gov](https://www.irs.gov). You can find IRS Publication 969, Health Savings Accounts and Other Tax-Favored Health Plans, and IRS Publication 502, Medical and Dental Expenses, online, or you can call the IRS to request a copy of each at 800.829.3676.

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