

**Health Savings  
Account and  
BCO PPO 300  
Comparison**

CITY OF  
**ELMHURST**

*Close to Everything. Unlike Anything.*

# What is the HSA?

- Health savings account: A tax-exempt savings account funded with tax-free contributions used to pay for qualified expenses
- High **(er)** deductible



# You Aren't Taxed On...

- Any money you contribute to your HSA
    - Reduces your taxable income!
  - Any money you spend on qualified expenses
  - Any interest you gain through your HSA
- 
- There is no lifetime limit on the amount your HSA can accumulate only an annual limit



# HSA Fun Facts

- Both are PPOs! Same BCBS network access on both plans
- Rx is **included** in medical out-of-pocket maximum in the HDHP/HSA plan
  - BCO PPO 300 plan: Rx has a separate out-of-pocket for prescription copays
- Premium cost is **higher** for the BCO PPO 300 plan AND City/Library contributes less
  - 85% to HSA; 75% to PPO 300
- There is no savings account with the BCO PPO 300 plan
  - No employer and employee contributions



# HSA Fun Facts

- HDHP plan includes a list of \$0 medications
- Meds that treat chronic conditions
- Access maintenance medications without an OOP cost



# HSA Fun Facts

- You're responsible to pay the cost of all medical/Rx expenses, less carrier discounts, prior to meeting your entire deductible
- This includes everything from medical services, treatments and procedures to prescription drugs EXCEPT preventive care; preventive care and a large preventive drug list are covered at no cost to member



# HSA Fun Facts

- The funds are yours to keep **forever!**
- Pay for qualified expenses of dependents
  - Spouse, children who are dependents for tax purposes
- IRS rules about two spouses having HSAs
  - Account in one spouse's name
- Can enroll in the limited purpose flexible spending account (FSA) that allows use of funds for dental and vision services only



# HSA Fun Facts

- The year you turn 65, IRS provisions about HSA contributions
- If you plan to enroll in Social Security (auto enroll in Medicare Part A), stop contributing to the HSA six months in advance to avoid penalties
- Once enrolled in Medicare, you cannot contribute to the HSA
- HSA can be used after 65 for all qualified medical expenses, including Medicare premiums, as well as deductibles, copayments, coinsurances
- **Cannot** use HSA on Medicare supplement premiums



# HSA/HDHP

- 2026 IRS deductible increase; City/Library to match half the deductible

Contribution Types	Employee Only	Family
2026 Total Deductible	\$3,400	\$6,800
City of Elmhurst will contribute	\$1,700	\$3,400
You may contribute an additional	\$2,700	\$5,350
Maximum IRS Annual HSA Contributions in 2026	\$4,400	\$8,750
Catch-Up Contribution (Age 55+)	Additional \$1,000	

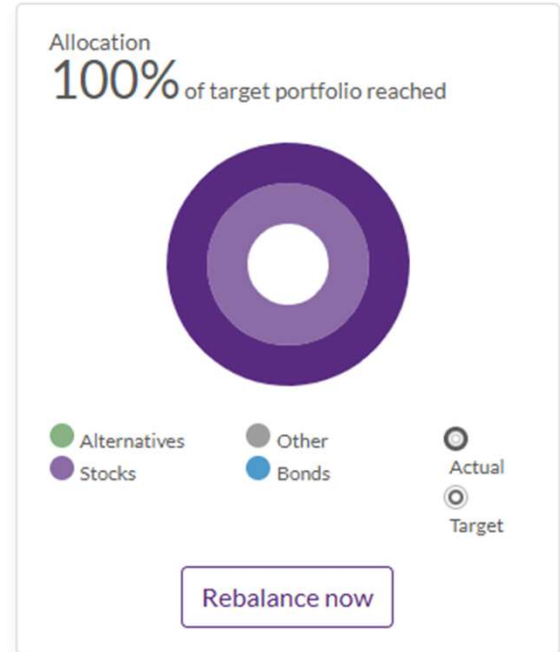
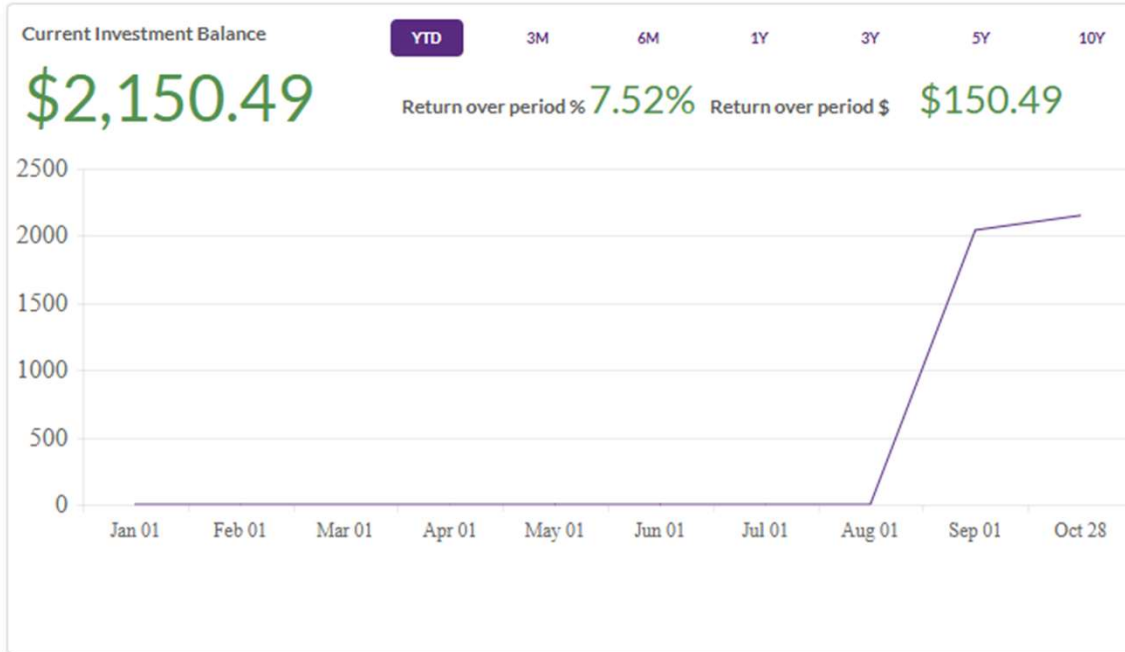
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# Investment Desktop

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<b>My service level</b> Self-Driven	<b>Cash replenish</b> ✓ Keep in cash: \$2,000.00	<b>Automatic investing</b> ● Disabled	<b>Automatic rebalancing</b> ● Disabled	<b>Available to invest</b> \$2,949.75	<b>Monthly admin fee</b> 0.03%
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# Single Coverage

Single	BCO 300 PPO Tier 1	HDHP/HSA
Medical out-of-pocket max	\$ 1,300	\$ 3,400
Prescription out-of-pocket max	\$ 2,000	\$ -
Employee premium contribution	\$ 3,417	\$ 1,656
Less City/Library HSA contribution	\$ -	\$ (1,700)
<b>Cost to Employee</b>	<b>\$ 6,717</b>	<b>\$ 3,356</b>
You may contribute an additional \$ to your HSA		\$ (2,700)
		<b>\$ 656</b>

# Employee + Spouse

Employee + Spouse	BCO 300 PPO Tier 1	HDHP/HSA
Medical out-of-pocket max	\$ 3,900	\$ 6,800
Prescription out-of-pocket max	\$ 6,000	\$ -
Employee premium contribution	\$ 7,074	\$ 3,386
Less City/Library HSA contribution	\$ -	\$ (3,400)
<b>Cost to Employee</b>	<b>\$ 16,974</b>	<b>\$ 6,786</b>
You may contribute an additional \$ to your HSA		\$ (5,350)
		<b>\$ 1,436</b>



# Employee + Child(ren)

Employee + Children	BCO 300 PPO Tier 1	HDHP/HSA
Medical out-of-pocket max	\$ 3,900	\$ 6,800
Prescription out-of-pocket max	\$ 6,000	\$ -
Employee premium contribution	\$ 6,078	\$ 2,921
Less City/Library HSA contribution	\$ -	\$ (3,400)
<b>Cost to Employee</b>	<b>\$ 15,978</b>	<b>\$ 6,321</b>
You may contribute an additional \$ to your HSA		\$ (5,350)
		<b>\$ 971</b>



# Family

Family	BCO 300 PPO Tier 1	HDHP/HSA
Medical out-of-pocket max	\$ 3,900	\$ 6,800
Prescription out-of-pocket max	\$ 6,000	\$ -
Employee premium contribution	\$ 9,693	\$ 4,651
Less City/Library HSA contribution	\$ -	\$ (3,400)
<b>Cost to Employee</b>	<b>\$ 19,593</b>	<b>\$ 8,051</b>
You may contribute an additional \$ to your HSA		\$ (5,350)
		<b>\$ 2,701</b>



# Flexible Spending (FSA)

- Consider limited FSA in conjunction with HSA
- Employee contributions on pre-tax basis
- Medical limit: \$3,400
- **UPDATED:** Dependent care... Feds increased limit to \$7,500!

