

EMPLOYEE FAQ - HEALTH SAVINGS ACCOUNTS

What is a Health Savings Account (HSA)?

An HSA is a tax exempt savings account that you can use to pay for qualified medical expenses, such as your deductible, co-payments for medical care and prescription drugs, or vision and dental care bills. To qualify for an HSA, you must be enrolled in a High Deductible Health Plan (HDHP).

How does an HSA work?

Every pay period, you will have a small portion of your check deposited into your HSA pre-tax. You can use your HSA debit card to purchase and pay for any qualified expenses.

Where can I use my HSA debit card?

You can use your HSA debit card anywhere that accepts VISA. You are responsible for ensuring that your purchase is a qualified medical expense.



GULF COAST EDUCATORS FCU
HSA VISA® DEBIT CARD

What happens if I make a purchase with my HSA debit card that is not a qualified medical expense?

HSA distributions not used for qualified medical expenses are subject to ordinary income tax and, if taken before age 65, a 20% IRS penalty tax (unless the distribution is because of death or disability).

What are qualified medical expenses?

Health plan deductibles, co-payments for medical care and prescription drugs, or vision and dental care bills. You can view the full list of qualified medical expenses by visiting the IRS' website and viewing Publication 502.

What happens to the funds I don't use in my HSA at the end of the year?

The money that is contributed to your HSA continually rolls over every year and any dividends earned are also tax free.

How can I check my HSA balance?

You can check your balance by logging in to your online banking portal, through your GCEFCU mobile app, or by calling us at 281-487-9333.

Am I eligible for an HSA?

You are eligible for an HSA if you meet all of the following criteria:

1. You are covered under a High Deductible Health Plan
2. You are not covered under a secondary health plan that is not an HDHP
3. You are not enrolled in Medicare and have not received VA medical benefits within the last three months
4. You are not eligible to be claimed as a dependent on another person's tax return.

How much can I contribute to my HSA?

You can make as many pre-tax contributions to your HSA as you'd like, as long as you don't exceed the annual limit set by the IRS. The current year's limits are displayed in the table below.

2026 LIMITS & CONTRIBUTIONS

These limits are subject to cost of living adjustments.

Minimum Annual HDHP Deductible

	2026
Individual Coverage	\$1,700
Family Coverage	\$3,400

Maximum HDHP Out of Pocket Expenses

	2026
Individual Coverage	\$8,500
Family Coverage	\$17,000

Maximum HSA Contribution Limits

	2026
Individual Coverage	\$4,400
Family Coverage	\$8,750
For individuals 55+ years old, add \$1,000.	

For more information, please call

281-487-9333