



# HSA EMPLOYER News



June 2014

## Employer HSA Contributions Are Tax Deductible

When you support your employees in funding their Health Savings Accounts (HSAs), it creates a win-win tax savings for all! Pre-tax contributions made through your Section 125 Cafeteria Plan reduce taxable income for employees and are tax deductible for you. Employer contributions to employee HSAs are treated as a business expense. They are exempt within certain parameters from:

- Social Security taxes
- Medicare taxes
- Federal Unemployment Insurance taxes

IRS guidelines state that current and prior-year HSA contributions can be deducted on your business income tax return for the year in which you make the contributions.

Learn more about the methods available for making contributions to your employees' HSAs. Go to the Employer Tools page on our website. Remember, you can change your method of funding as needed.

## Encourage Employee Preventive Care

Preventive care is a key contributor to long-term health. Yet many employees forego preventive healthcare because they don't realize that the associated cost is exempt from their deductible. A healthy workforce can mean lower healthcare costs for you. So encourage your employees to take full advantage of preventive services that may be covered under their plan, such as:

- Annual well visits (physicals) for adults
- Regular well-baby and well-child visits, from birth to age 21
- Blood pressure, diabetes and cholesterol tests
- Many cancer screenings, including mammograms and colonoscopies
- Routine vaccinations against diseases such as measles, polio and meningitis

- Flu and pneumonia shots
- Counseling on topics such as smoking cessation, weight loss, healthy eating, treating depression and reducing alcohol use
- Counseling, screening and vaccines to ensure healthy pregnancies

Every health plan is different and coverage should first be verified with the employee's insurance provider.

## "Safety: It Takes All of Us"

June is National Safety Month, an opportunity to educate your employees about important safety issues that may occur any day of the year. The 2014 theme, "Safety: It Takes All of Us," is a reminder that safety is a shared responsibility that requires ongoing attention. Each week in June will spotlight a different topic: prescription drug abuse, slips and falls, personal security and distracted driving.

The National Safety Council offers free materials including posters, tip sheets and quizzes that you can use to engage your employees on the weekly topics. Go to [nsc.org](http://nsc.org) to see what's available, and sign up to receive your free copies.

