



Health Savings Account for Enrollers Quick Guide

Overview

This guide explains the benefits of a Health Savings Account (HSA) and where enrollers can refer consumers.

HSA Basics

- Starting the 2026 plan year, HSAs are available for consumers enrolled in a Bronze plan (Standard or High Deductible Health Plan (HDHP)) or a Minimum Coverage plan (also known as Catastrophic coverage).
- A Health Savings Account (HSA) is a tax-exempt medical savings account available to taxpayers who are enrolled in a Bronze plan (Standard or HDHP) or a Minimum Coverage plan.
- Funds contributed to a HSA are not subject to federal income tax.
- HSAs are owned by the individual, which differentiates them from company-owned Health Reimbursement Arrangements (HRAs) that are a different kind of tax-deductible program.
- HSA contributions remain in the account and roll over to the next year if the money is not spent.
- Consumers can use the money in their HSA to pay for IRS-qualified medical expenses such as deductibles, copays, and coinsurance.
 - This includes some expenses and services their health insurance plan may not cover.
 - It also includes qualified medical expenses for their spouse or other tax dependents, even if they are not covered under the consumer's Bronze plan (Standard or HDHP) or Minimum Coverage plan.
 - A deductible is the amount the consumer pays before the health insurance company pays. A copay is the amount the consumer pays at the time of service or is billed. Coinsurance is a percentage that the consumer pays of the cost of services.
- Consumers cannot use the money in their HSA to pay their monthly premium (amount paid to the health insurance company each month).
- If consumers have questions, refer them to the Qualified Medical Expenses topic on the IRS website: [Publication 969 \(2024\), Health Savings Accounts and Other Tax-Favored Health Plans](#).



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How to Qualify for an HSA

- Consumers must be enrolled in a Bronze plan (Standard or HDHP) or a Minimum Coverage plan.
 - Bronze plans (Standard or HDHP) and Minimum Coverage plans usually offer lower monthly premiums with higher deductibles.
 - For more information about Bronze (Standard or HDHP) and Minimum Coverage plans, see the Plan Basics section of this guide.
- Consumers cannot have other health coverage except what is permitted under the IRS' **Other Health Coverage** rules in the IRS [Publication 969 \(2024\), Health Savings Accounts and Other Tax-Favored Health Plans](#).
- Consumers cannot be enrolled in Medicare or be claimed as a dependent on someone else's tax return.

Plan Basics

Consumers can enroll in the Bronze (Standard or HDHP) or Minimum Coverage plans to take advantage of the benefits of an HSA.

Bronze

- Generally, consumers enrolled in Bronze HDHP plans must pay all the costs from providers up to the deductible amount before the plan begins to pay.
- If other family members are on the plan, each family member must meet their own deductible until the total amount of deductible expenses are paid, and they meet the overall family deductible.
- Certain preventive care services are covered before consumers meet their deductible.
 - A copay or coinsurance may apply.
- Refer the consumer to the applicable health insurance plan's Summary of Benefits and Coverage plan document.
- Go to the Covered California [Shop and Compare](#) tool for more information about deductible amounts, covered services, and copay or coinsurance amounts after the deductible is met.
- For more information, see the following resources on the Covered CA website:
 - [Bronze Standard Coverage Overview](#)
 - [Bronze Standard Plan Details](#)
 - [Bronze Standard Pharmacy Information](#)
 - [Bronze HDHP Coverage Overview](#)



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- [Bronze HDHP Plan Details](#)
- [Bronze HDHP Pharmacy Information](#)

Minimum Coverage

- Consumers under the age of 30 may be eligible to purchase a minimum coverage health plan, also known as catastrophic coverage.
- Minimum coverage plans typically have lower premiums and are designed to provide worst-case scenario protection.
- Minimum coverage plans are not eligible for premium assistance.
- For more information, see the Minimum Coverage plans page on the Covered CA website.

Steps

If consumers have questions, direct them as follows:

Scenario	Action
Consumer selects a health insurance plan with a HSA offering and needs help setting up their HSA account.	Refer the consumer to their health insurance company to help them set up their HSA account. (Contact Your Insurance Company)
Consumer has more questions about an HSA or HDHP enrollment.	Refer the consumer to their health insurance company for more information or provide the IRS website link below: <ul style="list-style-type: none">• Publication 969 (2024), Health Savings Accounts and Other Tax-Favored Health Plans.
Consumer has IRS or tax questions about a HSA.	Enrollers cannot answer IRS or tax questions or give any tax advice. <ul style="list-style-type: none">• Refer the consumer to their financial advisor, tax professional, or the IRS.

Information is also available on the [Covered California website](#).

[What is a health savings account \(HSA\)? | Covered California](#)