

Securing Your Retirement

It's never too late to start planning for retirement. That's because the average employee will accrue more than \$147,000 in medical expenses alone in their retirement.¹ Fortunately, there are a number of tax-advantaged accounts you can use to plan for the future.



	Health Savings Account (HSA)	401(k)	Traditional IRA	Roth IRA
Eligibility	Must be enrolled in a High-Deductible Health Plan.	Must be employed at a business that offers a 401(k).	Must have taxable compensation and be younger than 70.5	Can contribute at any age if you meet certain income requirements
2024 Contribution Limits	\$4,150 self-only; \$8,300 family. Catch-up contribution of an additional \$1,000 for either if you're 55 or older.	\$23,000 if you're younger than 50; \$30,500 if you're 50 or older	The lesser of: \$7,000, or \$8,000 if you're 50 or older Your taxable compensation for the year	The lesser of: \$7,000, or \$8,000 if you're 50 or older Your taxable compensation for the year
Contribution Tax Status	Tax-deductible	Tax-deductible	Tax-deductible if you qualify (eligibility is based on your retirement plan at work ²)	Taxable
Distribution Tax Status	Tax-free (if funds are used on qualifying expenses)	Taxable	Taxable	Tax-deductible if the distributions qualify ³
Withdrawal Penalties	Penalty applies if funds are used for non-qualified medical expenses	Generally, withdrawals made before age 59.5 are subject to be included in your gross income, plus a 10 percent penalty	Generally, withdrawals made before age 59.5 are subject to be included in your gross income, plus a 10 percent penalty	Generally, withdrawals made before age 59.5 are subject to be included in your gross income, plus a 10 percent penalty
Investment Options	Standard lineup of mutual funds, and more than 8,500 mutual funds and other investment options for savvy investors with our health savings brokerage account	A variety of mutual funds	Typically, you have a variety of options, including individual stocks, trade options and mutual funds ⁴	Typically, you have a variety of options, including individual stocks, trade options and mutual funds ⁴

¹ <https://www.plansponsor.com/milliman-reveals-health-care-costs-for-65-year-olds-retiring-in-2024/>

² <https://www.irs.gov/retirement-plans/ira-deduction-limits>

³ <https://www.irs.gov/retirement-plans/traditional-and-roth-iras>

⁴ <https://www.nerdwallet.com/article/investing/how-to-invest-ira>

We cannot provide financial advice and encourages participants to seek guidance from a financial adviser for help with investment decisions.

1618840208 (9/24)

