

HSA brokerage accounts

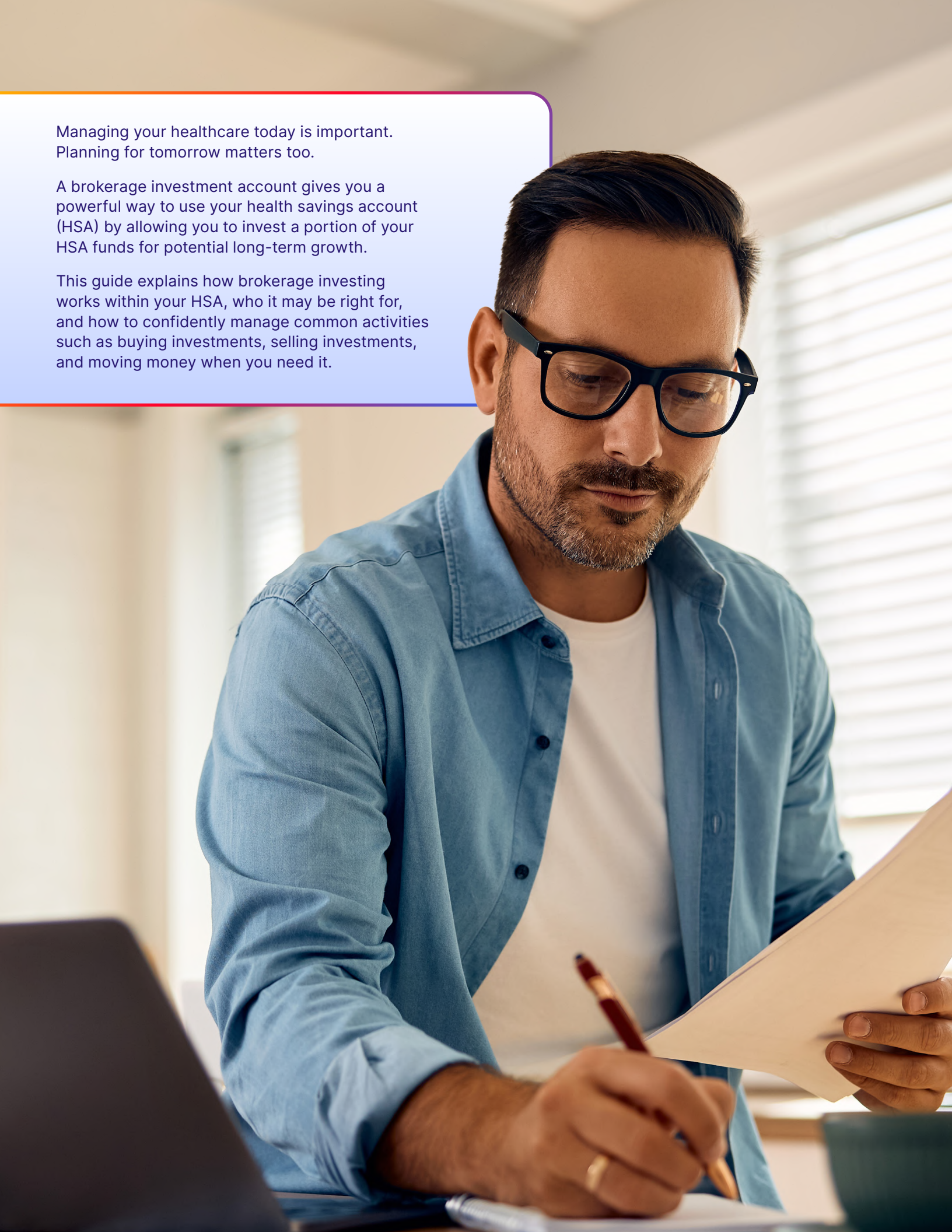
What's best for you, how to get started, and keep momentum.



Managing your healthcare today is important.
Planning for tomorrow matters too.

A brokerage investment account gives you a powerful way to use your health savings account (HSA) by allowing you to invest a portion of your HSA funds for potential long-term growth.

This guide explains how brokerage investing works within your HSA, who it may be right for, and how to confidently manage common activities such as buying investments, selling investments, and moving money when you need it.



What is a brokerage account?

A brokerage account allows you to choose and manage your own investments within your HSA.

Unlike guided or automated investment options, a brokerage account gives you direct control over investment decisions, including what to buy, what to sell, and when to make changes.

In summary, a brokerage account gives you control over how your HSA funds are invested.

Should I invest my HSA funds using a brokerage account?

Many HSA users reach a point where they have built up savings beyond what they expect to spend on healthcare in the near future and begin exploring investment options.

A brokerage account is one way to invest those funds. Investing your HSA is not an “all or nothing” experience. You can maintain a safety net of cash for healthcare expenses, while investing another portion. This allows for growth potential, while making sure you can utilize your HSA cash whenever it’s needed.

A brokerage account may be a good fit if you:

- Are comfortable making your own investment decisions
- Want more control over your investments
- Prefer choosing specific investments yourself
- Want the flexibility to choose and actively manage your own investments
- Regularly monitor or manage your investments

A brokerage account may not be the best fit if you:

- Prefer a more hands-off investing experience
- Are unsure how to choose investments
- Do not want to actively manage your portfolio
- Would rather use guided or automated investment options, if available

It’s important to remember there is no right or wrong choice. The best option depends on your comfort level, goals, and investing preferences.



How investing with a brokerage account fits into your HSA

Your HSA can contain both cash and investments. Understanding how these work together helps make investing easier.



Your HSA cash balance

Your cash balance is the money available to pay for qualified healthcare expenses today.

Many people choose to keep some money in cash so they can easily access funds for unexpected medical expenses.



Your investment balance

Money invested through a brokerage account is invested in securities including exchange-traded funds (ETFs) and stocks.

Invested funds have the potential to grow over time but will also fluctuate in value.



Minimum cash requirements

You will be required to maintain a minimum cash balance before additional funds can be invested. This amount varies by program and helps ensure funds remain available for healthcare expenses.

How money moves

When you invest

1. Funds remain in your HSA cash account until you initiate a buy.
2. After you initiate a buy, cash is automatically pulled directly from HSA cash to make the purchase.
3. The trade is submitted immediately and you'll gain exposure to the security as soon as it executes, which is typically in real time.

After your first purchase is made, the overview and portfolio tabs will populate with information on your holdings, account value and performance. The activity tab will reflect all buys, sells, dividends and other transactions that have occurred in your account.

When you need money for healthcare expenses

1. Sell the investments necessary to cover your expenses.
2. Proceeds automatically move back to your HSA cash account after the trade settles which usually takes 1-2 business days.
3. Funds become available for reimbursement or payment of qualified medical expenses. They can also be reinvested in other securities at this point.

Important note: Investing does not mean giving up access to your money. Investing funds diversifies where your money is held, allowing for potential growth, while maintaining access to the funds when you need them. Investing also involves significant risk. The value of your investment may fluctuate, and you could lose all or a substantial portion of your original investment. Past performance is not a reliable indicator of future results. Diversification does not guarantee a profit or protect against a loss in declining markets.

Getting started with a brokerage account

Opening a brokerage account is designed to be straightforward and take less than 5 minutes.

Step 1: Open your brokerage account

Select “Learn More” next to the brokerage option available through your HSA experience. Review the applicable account information, agreements, and disclosures, then complete the enrollment process.

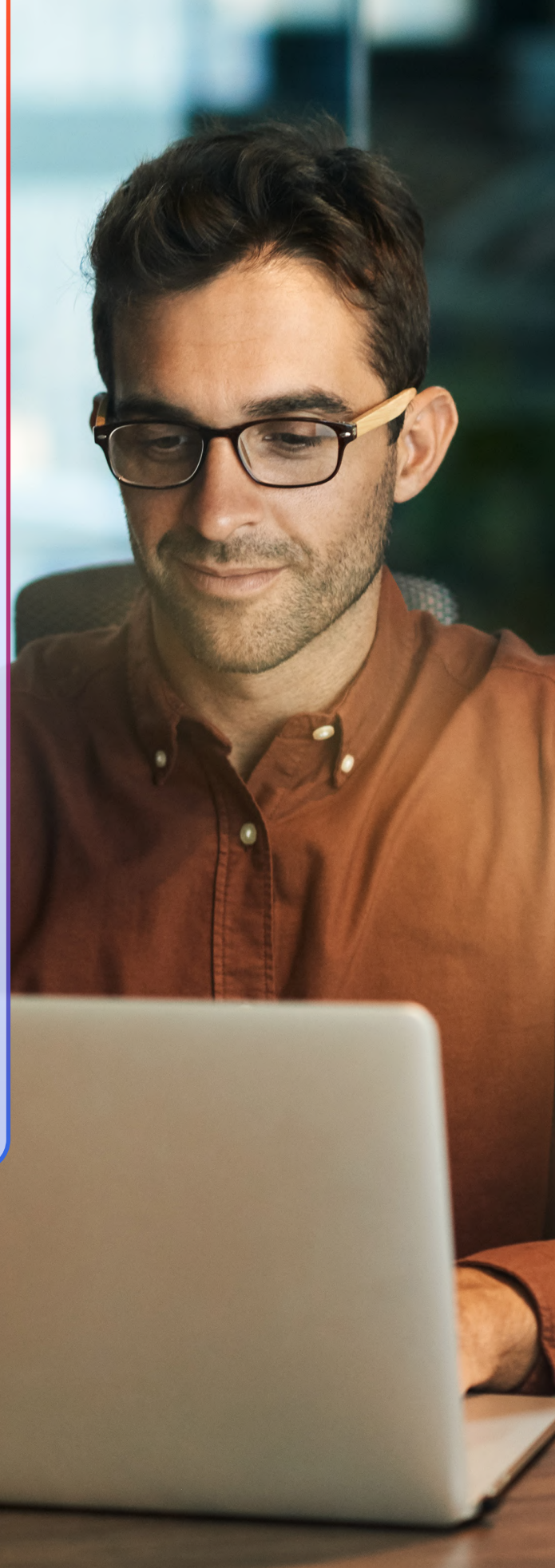
Account opening typically happens instantly upon completion.

Step 2: Confirm funds are available to invest

Before placing a trade, you must meet the required HSA cash threshold for your program. Any HSA cash above that threshold may be available for investing.

Step 3: Explore investment options and begin investing

You can find investments by using the Explore tab to browse available assets or the search function to look up an investment by name or ticker. Selecting an investment opens its details page, where you can view its current price, historical performance, description, key statistics, and buy or sell it. If you already own the investment, your position summary will also be displayed.



Common brokerage actions



Buying investments

Before purchasing an investment, consider:

- Your investment goals
- Your time horizon
- Your comfort with investment risk
- The role the investment plays in your overall portfolio

To place a trade:

- Select the investment you want to purchase.
- Enter the amount you wish to invest. Minimum trade is \$5.00 and fractional shares are supported.
- Review the order details.
- Submit the trade.

Trades must currently be submitted during hours while the market is open, up to 10 minutes before it closes.



Selling investments

You may choose to sell investments for many reasons, including:

- Paying for healthcare expenses
- Rebalancing your portfolio
- Adjusting your investment strategy
- Changing investment preferences

To sell an investment:

- Select the investment you wish to sell.
- Enter the dollar amount or number of shares to sell (sell all is also available).
- Review the order details.
- Submit the trade.

Once completed, proceeds will move through the normal settlement process before becoming available as cash, typically available within 1-2 business days.

You remain in control of how much you invest and how much cash you keep available.

Accessing your money when you need it

One of the most common concerns about investing HSA funds is whether money remains accessible for healthcare expenses.

The answer is yes, you can leave some of your funds in cash so they're always available, or sell some or all of your invested securities as needed to cover expenses. You do not necessarily need to sell your entire portfolio to access funds.

You can:

- Sell only the amount needed for an expense
- Keep the remainder invested
- Continue using your HSA as usual

After selling investments, the proceeds must complete the normal trade settlement process before becoming available in your HSA cash balance. This typically takes one to two business days, so funds are not available immediately after a sale.

Planning ahead for upcoming healthcare expenses can help ensure your HSA cash is available when you need it. If you ever need or want to sell all of the assets in your brokerage account, we make this simple with a Liquidate Account option on the portfolio tab.



Common questions

Can I lose money when investing?

Yes. Investments are risky because they can increase or decrease in value over time due to market conditions and other factors. Because of this, the value of your investments may be higher or lower than the amount originally invested. Past performance does not guarantee future results.

What fees should I expect?

There are no trading fees or consumer-level investment fees charged for using your brokerage account. However, ETFs and other funds available charge expenses as described in each fund's prospectus. This is standard for investment accounts.

What happens if I need money for a medical expense?

You can use your available cash balance or sell the investments necessary to cover the expense. After a sale is completed, the proceeds must go through the normal trade settlement process before becoming available in your HSA cash balance. This typically takes one to two business days, so plan ahead when possible.

Can I move money back to cash later?

Yes. You can sell some or all of your investments and move the proceeds back to your HSA cash balance. Proceeds are typically available after the normal trade settlement process is complete, generally within one to two business days.

What are dividends?

Some investments may pay dividends. Dividends are payments made by companies or funds to investors and represent a portion of earnings distributed to shareholders. Cash dividends will settle back to your HSA cash at this time and can be reinvested after.

What information appears on my statements?

Your brokerage account statement typically includes information such as:

- Investment balances
- Purchases and sales
- Dividends and distributions
- Market values
- Account activity

Your HSA account statement and brokerage statement are provided separately. The HSA account statement will show the starting and ending brokerage balance, along with details about cash moving to and from the brokerage account. The brokerage statement contains detailed account activity, including purchases, sales, dividends, distributions, and market values. Brokerage statements are available monthly within the Statements section of the Account tab.

Tips to get started with confidence



Start small

Many investors begin by investing only a portion of their available HSA balance while becoming familiar with the process.



Keep some cash available

Maintaining a cash balance can help prepare for expected or unexpected healthcare expenses.



Invest consistently

Regular contributions and investments can help build long-term savings over time.



Continue learning

You do not need to know everything before getting started. Many investors build confidence gradually as they gain experience.

What to expect when investing

Investing involves both opportunities and risks.

Keeping a few expectations in mind can help avoid surprises.

- Investment values may rise or fall over time.
- Market values can change daily, even if you take no action.
- Trades may require time to process and settle.
- Long-term investing involves periods of market fluctuation.

Understanding these expectations can help you make informed decisions and invest with greater confidence.

Investing with an HSA brokerage account isn't about trying to time the market. It is about deciding whether a self-directed investing approach aligns with your financial goals and comfort level. As your healthcare needs and savings fluctuate, you can continue adjusting your strategy over time.

Investment disclosure

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