

Laboring Without Health Insurance? HSAs May Be an Affordable Option

http://www.insurancenewsnet.com/article.asp?neid=200809011700.114_18c7000dc021c95b

<?xml version="1.0"?> Laboring Without Health Insurance? HSAs May Be an Affordable Option Health Insurance

2008 SEP 1 - ([NewsRx.com](#)) -- For years, Labor Day has meant picnics, watermelon, softball games and kids having fun. But for millions of working people, it also could rekindle memories of the old days when having a job meant they didn't have to worry about health insurance. Times are changing and HSAInsights.com can help (see also [Health Insurance](#)).

Today, employment no longer guarantees health insurance coverage, especially in small businesses. The National Coalition on Healthcare reports that one-third of firms in the U.S. (and almost two-thirds of small businesses) did not offer coverage in 2006. Nearly 1.3 million full-time workers lost their health insurance the same year, bringing the total number of uninsured workers in this country to 37.7 million.

The good news for these workers and others, including those who are self-employed or retired, is that they now have more affordable options to get the coverage they need. Many are choosing to purchase high-deductible health plans with health savings account (HSAs), which have much lower premiums than traditional health insurance and give people greater control over how they spend their health care dollars.

"For families with about \$1,500 in annual medical expenses, an HSA can often save them more than \$6,000 a year," said Scott Krienke, senior vice president, individual markets, for Assurant Health, a leading provider of HSAs.

More than 6.1 million Americans have already opened HSA accounts. In addition to lower premium costs, there are several reasons for their popularity. First, they allow you to save money in a tax-free account, like an IRA, to pay for routine medical expenses. Your contributions (up to \$5,800 for families in 2008) are tax deductible and you pay no tax on withdrawals for qualified medical expenses.

Second, your HSA funds are completely portable and roll over from year to year -- even if you change jobs, take a job that doesn't offer insurance, start your own business or retire. You can also pay for any qualified medical procedure without having to get it specifically approved, regardless of any pre-existing conditions. You can use your HSA account during retirement to pay for health care, Medicare expenses and prescription drugs.

Could you benefit from an HSA? One way to find out is to go to the Web site [HSAInsights.com](#). This site was designed to help you understand the basics of HSAs and to provide resources and tools for making smart choices. It even includes a calculator to estimate how much you can save with an HSA compared to a traditional health plan and determine its potential future value based on your expected contributions and expenses.

Copyright © 2008 Managed Care Weekly Digest via [NewsRx.com](#) 2008 SEP 1 - -- For years, Labor Day has meant picnics, watermelon, softball games and kids having fun. But for millions of working people, it also could rekindle memories of the old days when having a job meant they didn't have to worry about health insurance.

For more insurance news, visit [InsuranceNewsNet.com](#)

Don't miss another insurance headline, [sign up](#) for our free newsletter today.

Want your company's news featured on Insurance News Net? [Click Here](#)