

[Date]
[First Last]
[Address]
[City], [State] [Zip]

**New HSA changes give you even
greater control of your healthcare dollars!**

Dear [First Last],

We have great news! The Tax Relief and Health Care Act of 2006 that was signed into law on December 20th brings good news and favorable changes for Health Savings account holders like you, including:

- **Increased contribution maximums** – HSA contributions are no longer limited to the annual deductible selected with your qualified high deductible health plan (HDHP). In 2007, you can contribute up to \$2,850 for single coverage and \$5,650 for family coverage.
- **Full contribution amounts allowed for first year HSAs** – now you can make HSA contributions up to the full annual limit, regardless of what time of year you first enrolled in a qualified high deductible health plan (HDHP).*
- **IRA transfer to an HSA** – you can make a one-time tax free distribution from an IRA (Individual Retirement Account) to your HSA, so funds are immediately available to account holder and rollovers can only be made from Traditional or Roth IRAs.*

Note: The IRA transfer is limited to the maximum HSA contribution for the year.

If you have any questions regarding these HSA changes, please contact your tax advisor. Or, for more detailed information go to <http://www.untreas.gov/press/release/hp2009.htm>.

Sincerely,

[Your Name]

*You must have coverage under a qualified high deductible health plan (HDHP) and remain for 12 months after the end of the calendar year in which you enrolled in an HDHP, otherwise you will be subject to income tax and a 10 percent additional tax on HSA contributions for months not covered by a HDHP.

Best Value Insurance Agency Inc. and its legal entities are not engaged in rendering tax or legal advice. If tax or legal advice is required, seek the services of a competent professional. References are to be federal tax laws. State tax laws may differ. Federal and state tax laws are subject to change.