



CITY OF KINSTON

HEALTH SAVINGS ACCOUNT (HSA)

Health savings accounts (HSAs) are like personal savings accounts, but the money in them is used to pay for health care expenses. You — not your employer or insurance company — own and control the money in your HSA.

The money the City of Kinston deposits into the account is not taxed. To be eligible to open an HSA, you must have a special type of health insurance called a high-deductible plan. HSAs and high-deductible health plans were created as a way to help control health care costs. The idea is that people will spend their health care dollars more wisely if they're using their own money.

Is a health savings account right for me?

Like any health care option, HSAs have advantages and disadvantages. As you weigh your options, think about what health care you're likely to need in the next year. If you're generally healthy and want to save for future health care expenses, an HSA may be an attractive choice.

On the other hand, if you think you might need expensive medical care in the next year and would find it hard to meet a high deductible, an HSA might not be your best option.

Who can set up a health savings account?

The City of Kinston offers an HSA option through the State Employees Credit Union. Stop by any branch to open an HSA account, provide a Human Resources contact phone number in which we will provide proof of employment and give the deductible maximum.

Debra Thompson
Human Resources Specialist
City of Kinston
(252) 939-3120