

HSA Investment Balance Versus Cash Balance

Your HSA has a cash balance and an investment balance. This allows you to invest a portion of your funds and potentially earn a higher rate of return on those funds. The default levels are set so that the cash balance is anything up to \$2,000 and the investment balance is anything over that amount. A “sweep” is performed as funds are deposited into the account over \$2,000 to pull those funds into the investment account.

You can choose to set that sweep amount to a higher number, though. For example, if you would like to be able to use \$4,000 at one time, you can set the sweep to \$4,000 from your consumer portal. Then, \$4,000 will be available on your card and anything above that will move to the investment account. Please note that sweep updates do take 3 days to be in effect. Below is an example to provide further information on how the sweep operates.

Example:

Sweep is set to default for Person A (\$2,000).

Total balance: \$3,200

Cash Balance: \$2,000

Investment Balance: \$1,200

A dental visit costs \$1,300. The funds pull from the cash balance, leaving a cash balance of \$700. After 3 business days, the additional \$1,200 that was in the investment balance pulls to the cash balance to make the new totals:

Total Balance after Dental Visit: \$1,900

Cash Balance: \$1,900

Investment Balance: \$0.00

Cash Account Interest Rates

The balance in the cash account earns the following interest rates at this time.

Account Balance	Interest Rate	Annual Percentage Yield
\$0.01 - \$1,999.99	0.05000 %	0.00 % - 0.05 %
\$2,000.00 - \$4,999.99	0.10000 %	0.05 % - 0.08 %
\$5,000.00 - \$9,999.99	0.25000 %	0.08 % - 0.17 %
\$10,000.00 - \$24,999.99	0.35000 %	0.17 % - 0.28 %
\$25,000.00 and up	0.50000 %	0.28 % - 0.50 %

Managing Investments

Investment options are available for the funds in the Investment Account. The HCB Investment List shows the current options and some information on the rates of return and expense ratios. Investment options are not automatically selected, and you will need to log in to your consumer portal if you wish to set those up. If desired, the portal will offer guidance on which funds might be a good fit for your goals, or you can select based on your own research and preferences.

Questions about Your HSA?

The customer service team at Consolidated Admin Services is available to answer your questions. While they cannot provide financial advice, they can assist with explaining how your account works, how to update your sweep, or how to select different preferences within your consumer portal. You can reach them by:

Phone: 877-941-5956

E-Mail: info@consolidatedadmin.com