Health Savings Accounts in 2026

Did you know you can use a Health Savings Account (HSA) not just to cover medical expenses today, but also to invest for your future? While many people think of HSAs as simple healthcare spending tools, they can actually play a powerful role in long-term financial planning—especially with new rule changes taking effect in 2026.

An HSA is a tax-advantaged savings and investment account designed specifically for qualified healthcare expenses. What makes it especially attractive is its "triple tax benefit." Contributions are made with pretax dollars, reducing your taxable income. The funds then grow tax-free, and withdrawals for eligible healthcare expenses are also tax-free. This combination helps make HSAs one of the most efficient savings vehicles available.

Traditionally, HSAs have been tied to high-deductible health plans (HDHPs), which led to some confusion with flexible spending accounts (FSAs). However, unlike FSAs, HSA funds never expire. The money you contribute is yours to keep forever, and the account is portable—meaning you can take it with you if you change jobs or retire.

New in 2026, recent legislation—often referred to as the "One Big Beautiful Bill"—significantly expands how HSAs work. One of the biggest changes is broader eligibility. Starting in 2026, individuals enrolled in Bronze and Catastrophic health plans through the Affordable Care Act marketplace can now qualify for and contribute to an HSA, even if those plans don't meet traditional HDHP rules.

Additionally, telehealth services can now be covered before you meet your deductible without affecting your HSA eligibility—a provision that is now permanent. This helps make it easier to access care while still benefiting from an HSA.

Another important update allows certain direct primary care arrangements to remain HSA-compatible. In simple terms, you can now pay monthly membership-style healthcare fees and still contribute to your HSA, adding flexibility for those seeking alternative care models.

So how do you know if an HSA is right for you? You still need to meet some core criteria. You must have qualifying health coverage, cannot be claimed as a dependent on someone else's tax return, cannot be enrolled in Medicare, and cannot have other disqualifying health coverage.

Beyond eligibility, your personal situation matters. HSAs are often a strong fit for individuals or families who are relatively healthy and don't require frequent medical care. If you typically only visit the doctor for routine checkups and can handle a higher deductible, an HSA-compatible plan may work well—especially now that more plan types qualify.

Contribution limits are another key factor. For 2026, individuals can contribute up to $4,400 for self-only coverage or $8,750 for family coverage, with an additional $1,000 catch-up contribution for those age 55 and older.

To maximize the benefits of an HSA, it's important to think long term. Ideally, you should have enough cash flow or savings to cover current medical expenses out of pocket while leaving your HSA funds invested. Many HSA providers offer investment options similar to retirement accounts, allowing your balance to grow over time and potentially serve as a supplemental healthcare fund in retirement.

However, there are some common mistakes to avoid. One is failing to keep receipts for medical expenses. Even if you don't reimburse yourself right away, you can do so later—as long as you have proper documentation. Another mistake is relying too heavily on your HSA early on instead of letting it grow.

It's also important not to skip necessary medical care just to build savings. While HSAs are a great financial tool, your health should always come first. Some years you may save significantly, while in others you may need to use most or all of your contributions—and that's okay.

Ultimately, HSAs are more flexible and powerful than ever thanks to the 2026 changes. With expanded eligibility, new coverage options, and continued tax advantages, they can play a key role in both your healthcare strategy and your long-term financial plan. With the right approach, an HSA can do much more than cover medical bills—it can help you build a healthier financial future.

Have questions? As always, our office is happy to discuss.

CARSON WEALTH | THE SHOBE FINANCIAL GROUP

8280 YMCA Plaza Dr, Building 4
Baton Rouge, LA 70810
(225) 763-701