

Product comparison chart

	Health Savings Account (HSA)			Health Reimbursement Arrangement (HRA)	Flexible Spending Account (FSA)
What is it?	<p>HSAs are individual expense accounts owned by employees that allow for tax-free payment or reimbursement of eligible medical expenses.</p> <p>To make contributions to an HSA, an employee:</p> <ul style="list-style-type: none"> Must be enrolled in an HSA-qualified health plan Must not be covered by another health plan Is not listed as a dependent on someone else's taxes Is not enrolled in Medicare <p>Companies can make tax-free contributions to eligible employees' HSAs.</p>			<p>HRAs are employer-funded, tax advantaged plans used to reimburse employees for eligible medical expenses.</p> <p>With an Integrated HRA, the HRA is paired with any eligible health plan to reimburse employees for their eligible expenses.</p> <p>Spouses and dependents are also eligible to have medical expenses reimbursed if covered under the same health plan.</p>	<p>Medical FSAs are employer established health care spending accounts that allow for tax-free contribution and reimbursement of eligible medical expenses.</p>
Who is eligible?	Must have HSA-qualified health plan (\$1,300+ single / \$2,600+ family deductible in 2017).			All employees covered by their employers' health plan. Owner eligibility dependent on corporate structure.	All employees; not self-employed.
Who can contribute?	Employer, employee, or third party (virtually anyone).			Employer only.	Employee and employer.
What's the maximum contribution?		2018	2017	Determined by employer; capped at \$4,950 self-only or \$10,000 family coverage (2017).	Determined by employer; capped at \$2,600 per employee (2017).
	Single	\$3,450	\$3,400		
	Family	\$6,850	\$6,750		

<p>Is it tax-advantaged?</p>	<p>Yes</p> <ul style="list-style-type: none"> ▪ Tax-free contributions ▪ Tax-free interest ▪ Tax-free withdrawals for eligible expenses 	<p>Yes</p> <ul style="list-style-type: none"> ▪ Tax-free withdrawals for eligible expenses 	<p>Yes</p> <ul style="list-style-type: none"> ▪ Pretax contributions ▪ Tax-free withdrawals for eligible expenses
<p>What expenses are covered?</p>	<p>Eligible:</p> <ul style="list-style-type: none"> ▪ Out-of-pocket expenses until deductible is reached ▪ Copayments, coinsurance and prescription drugs ▪ Medicare and COBRA premiums ▪ Long-term care premiums ▪ Dental and vision care expenses not covered by the health plan <p>Ineligible:</p> <ul style="list-style-type: none"> ▪ Health insurance monthly premiums ▪ Expenses that aren't related to medical treatment or care as defined by the IRS. <p>Remember: HSA funds can only be used on the account holder and their tax dependents.</p>	<p>Eligible:</p> <p>The HRA typically covers the same expenses that the health plan covers. Covered expenses may include:</p> <ul style="list-style-type: none"> ▪ In-network doctor visits ▪ Inpatient or outpatient hospital care ▪ Diagnostic exams ▪ Prescription medications <p>Ineligible:</p> <p>Expenses that aren't related to medical treatment or care as defined by the IRS.</p> <p>Remember: HRA funds can only be used on health plan dependents.</p>	<p>Eligible:</p> <ul style="list-style-type: none"> ▪ Out-of-pocket expenses until deductible is reached ▪ Copayments, coinsurance and prescription drugs ▪ Long-term care premiums ▪ Dental and vision care expenses not covered by the health plan <p>Ineligible:</p> <ul style="list-style-type: none"> ▪ Health insurance monthly premiums ▪ Expenses that aren't related to medical treatment or care as defined by the IRS. <p>Remember: HRA funds can only be used on health plan dependents.</p>
<p>What about keeping receipts?</p>	<p>It's important to save all your receipts and explanation of benefits (EOB) statements to validate expenses, as required by the IRS.</p>		
<p>What happens to unused funds at the end of the year?</p>	<p>An HSA account belongs to the employee. Any funds remaining at the end of the year roll over to the next year.</p>	<p>Employers determine if remaining funds will roll over to the following plan year and any limitations on the rollover amounts.</p>	<p>Employers determine if remaining funds will roll over to the following plan year and any limitations on the rollover amounts.</p>

<p>What other accounts can you pair with?</p>	<p>May be paired with a limited HRA or FSA which can be used on amounts over the deductible, or dental/vision expenses.</p>	<p>May be paired with an FSA. If paired with an HSA, must be limited to amounts over the deductible or to dental/vision only.</p>	<p>May be paired with an HRA. If paired with an HSA, must be limited to amounts over the deductible or to dental/vision only.</p>
<p>What if an employee changes jobs or retires?</p>	<p>HSA accounts are portable, meaning employees keep all funds, even if they change jobs or retire.</p>	<p>Funds in the account cannot be maintained by the employee if they change jobs or retire.</p>	<p>Funds in the account cannot be maintained by the employee if they change jobs or retire.</p>