

## Comparison of HSA, HRA, FSA:

	HSA (Health Saving Account)	HRA (Health Reimbursement Arrangement)	FSA (Health Flexible Spending Account)
Account Overview	Tax Exempt trust or custodial account created to pay for the qualified medical expenses of the account holder and his/her spouse or dependents.	An employer funded account used to reimburse employees for qualified medical care expenses.	A cafeteria plan authorized under Section 125 of the IRC. FSAs can be created to reimburse for qualified medical expenses, health insurance premiums for Premium-only account, or dependent care expenses.
High Deductible Health Plan? (HDHP)	Required	Customary	Not Required
Who can fund the account? High Deductible Health Plan?	Employee and/or Employer	Employer Only	Typically only the Employee. However, Employer can also contribute
Are there any contribution limits?	\$2,900   \$5,800 F ** Catch-up contributions: \$900/yr - age 55 by end of tax year. Reduced by MSA contributions in same year	There are no limits to the amount an employer can contribute.	There are no limits to contributions for a health care FSA. However, employers typically set a limit.
Who owns account?	Participant	Employer	Employer

# Comparison of Tax-Advantaged Accounts:

	HSA	HRA	FSA
Can unused funds be rolled over from year to year?	Yes	Yes, subject to COBRA	No, but in some cases employee may elect COBRA through end of plan year.
What expenses are eligible for reimbursement?	Section 213 (d) medical expenses -COBRA premiums -QLTC premiums -Health premiums while receiving unemployment benefits -If Medicare eligible due to age, health insurance premiums except medical supplement policies.	Section 213 (d) medical expenses  Health Insurance premiums for current employees, retirees, and qualified beneficiaries, and QLTC premiums. Employer can define "eligible medical expenses"	Section 213 (d) medical expenses  Expenses for Insurance premiums are not reimbursable  Employer can define "eligible medical expenses"
Must claims submitted for reimbursement be substantiated?	No	Yes	Yes
May account reimburse non-medical expenses?	Yes, but taxed as income and 10% penalty (no penalty if distributed after death, disability, or eligible for Medicare)	No	No
Is interest earned on tax-advantaged account?	Yes, accrues tax-free	Yes, paid to the employer	No

# Comparison of HSA, HRA, FSA Continued...

	HSA (Health Savings Account)	HRA (Health Reimbursement Arrangement)	FSA (Flexible Spending Account)
Is plan Year Carry Over Allowed?	Yes	Employer Choice	Employer
Is fund portable?	Yes	Employer Choice	No
Substantiate claims to withdraw money?	No	No	No
How are Allowable Medical Expenses Determined?	Medical IRC 213 (d), Some premiums, non medical	Medical IRC 213 (d), Some Premiums, non medical	Medical IRC 213 )d)
Uniform Coverage	No	Employer Choice	Required
Applicable IRC	Section 223	Section 105	Section 125