

# HSA vs FSA vs HRA

	HSA	HRA	FSA
<b>What is it?</b>	An individual bank account to help you save and pay for covered healthcare expenses and qualified medical expenses.	An account you can use to reimburse yourself for eligible expenses.	An account that reimburses you for qualified medical expenses.
<b>How do I get it?</b>	You need to sign up for an HSA eligible, high-deductible health plan.	These plans are typically tied to a health plan. You get the HRA when you enroll in the health plan.	Your employer has to offer a healthcare FSA.
<b>Who owns it?</b>	Employee.	Employer.	Employer, but it's your own money.
<b>Who can contribute?</b>	You. Your employer, family, and other can put money into it if they choose.	Only your employer. You can't contribute your own money.	You. Your employer can also put money into it if they choose.
<b>How do you make contributions?</b>	You can make deposits like you do with other personal bank accounts. Your employer and family can also deposit money. Also, your employer may allow you to deposit money straight from your paycheck, before it's taxed.	Your employer may put all the money in the account at the beginning of the plan year or may do so each month.	Your employer will take money out of each paycheck, before taxes, and put it into the account.
<b>What is the cost of employer contributions?</b>	100% paid, regardless of utilization.	Only pays for employee utilization (usually 75%).	100% paid, regardless of utilization.
<b>Contribution limits?</b>	\$3,500 for single and \$7,000 for family	Set by the employer.	\$2,700 per individual. Employers may elect a lower contribution limit.

<p><b>How is it treated by the tax code?</b></p>	<p>You don't have to pay federal, and in most instances, state income taxes on:</p> <ul style="list-style-type: none"> <li>• Deposits you or others make to an HSA</li> <li>• Money you spend from an HSA on qualified medical expenses</li> <li>• Interest earned from an HAS</li> </ul> <p>If you put money into an HSA using pre-tax payroll deposits through your employer, you don't have to pay social security taxes on it either.</p>	<p>You don't have to pay federal or state income taxes on this money.</p>	<p>You don't have to pay federal, state, and Social Security taxes on this money.</p> <p>You also don't have to pay federal income taxes on any money that's reimbursed to you.</p>
<p><b>Eligibility requirements?</b></p>	<p>Must have an HSA-eligible high-deductible health plan.</p>	<p>All full-time employees with the possibility of including part-time employees. Owner eligibility is dependent on corporate structure.</p>	<p>All employees are eligible, who aren't self-employed.</p>
<p><b>Is health insurance required?</b></p>	<p>Yes. You must purchase an HSA-qualified high-deductible health plan.</p>	<p>No. But the purchase of minimum essential coverage allows you to receive reimbursements, free of income taxes.</p>	<p>It depends. A limited purpose FSA doesn't require the purchase of insurance, but you do need health insurance with a healthcare FSA.</p>
<p><b>What medical expenses are allowed?</b></p>	<p>You can pay for hundreds of qualified medical expenses,</p>	<p>You can pay for hundreds of eligible medical expenses,</p>	<p>You can pay for hundreds of qualified medical costs,</p>

	determined by the IRS. This can include services covered by a health plan.	defined by the IRS and your employer. This can include services covered by a health plan.	determined by the IRS.
<b>Can I have any other accounts with it?</b>	Yes. You can have a limited-purpose FSA or limited-purpose HRA, which can only be used for eligible dental and vision services.	No.	No.
<b>Can I rollover money from year-to-year?</b>	Any unused funds rollover to the following year, which allows the account to earn interest and grow.	It depends on the plan setup, but unused funds typically don't rollover.	There are three FSA options: <ol style="list-style-type: none"> <li>1. Use it or lose it (all unspent funds are forfeited).</li> <li>2. Carryover of \$500 maximum.</li> <li>3. Grace period of up to 2.5 months to use any leftover money.</li> </ol>
<b>Who's the administrator?</b>	Employee.	Employer or third-party administrator.	Employer or third-party administrator.
<b>Is it portable after termination?</b>	Yes. There's continued access to unused account balance if employee is no longer working for the employer.	No. The account cannot be maintained if the employee is no longer working for the employer.	No. The account cannot be maintained if the employee is no longer working for the employer.