

# HSA, HRA & FSA ACCOUNT COMPARISONS 2020



	HSA Health Savings Account	HRA Health Reimbursement Agreement	FSA Flexible Spending Account
<b>Maximum Contributions</b>	\$3,550 for singles; \$7,100 for families	Maximum reimbursement determined by employer	\$2,750
<b>Additional Contribution Allowance</b>	\$1,000 additional contributions allowed for ages 55 and older	Not applicable	Not applicable
<b>Eligible Contributors</b>	Individuals, employers and/or employees not enrolled in other medical coverage	Employers only	Typically employees; can also be funded by employer
<b>Tax Deductibility: Employee</b>	Contributions may be either pre-tax if offered through a cafeteria plan or tax deductible (no need to itemize)	No employee tax deduction (employer-sponsored)	Employee contributions are pre-tax
<b>Fund or Account Ownership</b>	Employee	Employer	Employer
<b>Portable?</b>	Yes	Generally not, up to the employer or with COBRA election	No, except with roll over, grace period or COBRA election
<b>Rollover of Funds?</b>	Yes	Employer determines if allowed and can set caps	Yes, maximum of \$500 if plan permits
<b>Funding Required?</b>	Yes	No pre-funding necessary.	All allocated funds available at start of plan year
<b>Plan Types</b>	High-deductible plan required as defined by HSA laws; no copay plans	No plan restrictions	No plan restrictions
<b>Deductibles: Singles</b>	\$1,400 minimum	No limits	No limits
<b>Deductibles: Families</b>	\$2,800 minimum	No limits	No limits
<b>Out-of-Pocket Maximum</b>	Singles: up to \$6,900; families: up to \$13,800	No limits	No limits
<b>Are Rx Expenses Subject to Deductible?</b>	Required	Permitted	N/A
<b>Administration</b>	Insurance company, TPA or bank	Self-administered, insurance company or TPA	Self-administered, insurance company or TPA
<b>Withdrawals for non-qualified medical expenses</b>	Taxable subjected to 20% penalty (no penalty for over 65).	Determined by the employer; generally reimbursements only for IRS Section 213 expenses.	
<b>Subject to ERISA?</b>	No	Yes	
<b>Is claim substantiation required?</b>	No, account holder must substantiate if audited by IRS		

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<b>Withdrawals for Non-qualified Medical Expenses</b>	Taxable and subject to 20% penalty (no penalty for over 65)	Determined by the employer; reimbursements only for IRS Section 213 expenses	Reimbursements only for IRS Section 213 expenses (excluding health and Long Term Care premiums)
<b>Subject to ERISA?</b>	No	Yes	Yes
<b>Is Claim Substantiation Required?</b>	No, account holder must substantiate if audited by IRS	Yes, only qualified medical expenses are reimbursable	Yes, only qualified medical expenses are reimbursable
<b>Who can Claims be Reimbursed for?</b>	Account holder, spouse and tax dependents	Employee, spouse and tax dependents	Account holder, spouse, children to age 26 and tax dependents
<b>Stacking Plans?</b>	<p>Only allowed to contribute to HSA when covered by high-deductible plan; “permitted insurance/coverage” does not interfere with HSA, workers’ compensation, specific disease, disability, dental, vision, long-term care and fixed per-day indemnity</p> <p>FSA Grace Period Extension rule requires exhaustion of funds by year-end</p>	<p>Can co-exist with HSA if:</p> <ol style="list-style-type: none"> <li>1. Permitted Benefit HRA: designate reimbursement for “permitted insurance/coverage” or preventive</li> <li>2. Suspended HRA: allows prior-year HRA to sit dormant (except for “permitted insurance/coverage” during HSA plan year</li> <li>3. Retirement HRA: contributions only allocated to retiree health coverage</li> <li>4. Post-deductible HRA: designate reimbursement only after deductible of HDHP is met</li> </ol>	<p>Can co-exist with HSA if:</p> <ol style="list-style-type: none"> <li>1. Permitted Benefit FSA: designate reimbursement for “permitted insurance/coverage” or preventive</li> <li>2. Post-deductible FSA: designate reimbursement only after deductible of HDHP is met</li> <li>3. Grace Period Extension: as permitted each year, subject to zero-balance at year-end</li> </ol>
<b>Varied Contributions?</b>	Subject to comparability rules	Permissible by class (subject to nondiscrimination)	Permissible by class (subject to nondiscrimination)

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