

Compare consumer-driven health accounts

Benefit Comparison	FSA - Flexible Spending Account	HSA - Health Savings Account	HRA - Health Reimbursement Arrangement
Pre-tax employee contributions	Yes	Yes	No
Employer contributions required	Optional	Optional	Yes
Maximum limit on contributions	No ¹	Yes ²	No ¹
Employer pre-funded: Entire election available for reimbursement at beginning of plan year	Yes	No	Optional
High-deductible health plan (HDHP) required	Optional	Yes ³	Optional
Debit card option	Yes	Yes	Yes
Claims are required	Yes ⁴	No ⁵	Yes ⁴
Benefit payments are tax-free	Yes	Yes	Yes
Pays all IRS Code Section 213 expenses	Yes	Yes	Optional
Pays long-term care expenses or insurance	No	Yes	Optional
Employees carry over unused amounts	Optional ⁶	Yes	Optional
Employee can take to new employer	No	Yes	No
Employee can use at retirement	No	Yes	Optional

- 1 IRS does not limit. Employer sets plan limit.
- 2 IRS-imposed limits for 2008: Annual limit of \$2,900 for single coverage and \$5,800 for family coverage if HDHP coverage begins by December 1. Catch up contributions for those 55 and over: \$900.
- 3 IRS-imposed limits for 2008: Minimum deductible of \$1,100 with maximum out-of-pocket expenses of \$5,600 for single coverage and a \$2,200 minimum deductible with maximum out-of-pocket expenses of \$11,200 for family coverage.
- 4 Certain debit card swipes may not require a claim form and receipts to be submitted if electronically adjudicated.
- 5 Payment substantiation upon audit of Form 1040.
- 6 Employers may elect a 2-1/2 month "grace" period for employees to use leftover funds from a previous plan year to pay for expenses incurred in a new plan year.