

Comparison of FSAs, HRAs and HSAs

	Flexible Spending Account (FSA)	Health Reimbursement Arrangement (HRA)	Health Savings Account (HSA)
Who Contribute to the Account?	Employers and employee (employee contributions made pre-tax)	Employer (former employees can make after-tax COBRA contributions)	Employer and eligible employees (unless employee is claimed as dependent on a tax return). Employee contribution may be pre-tax or tax deductible.
Are Pre-Tax Contributions via a Cafeteria Plan Permissible?	Yes	No	Yes
Age Limit	None	None	Yes, contributions are not allowed by or for those who enroll in medicare
Limits on Contribution Amounts?	None, except nondiscrimination requirements and limits designed to protect employer from uniform availability rule apply (most plans have annual limits)	None, except nondiscrimination requirements	* Subject to dollar limits (in 2012, \$3,100 for single, \$6,250 for family) * For those age 55 and over, limit is \$1000 Catch-Up Contribution * Spouses have a single limit if either has family coverage
Are There Restrictions on Plan Design?	No	No	Yes, must have high deductible plan coverage: * Min. annual ded: \$1,200/\$2,400 * Max. OOP: \$6,050/\$12,100 (higher OOP can apply to out-of-network expenses)
Permitted to Have Coverage Under Another Health Plan?	Yes	Yes	No, except dental, vision, accident, disability, long-term care, workers compensation, liability, property damage, specified disease or illness, fixed indemnity hospitalization
Consequences of Excess Contributions	N/A	N/A	6% excise tax
Reimbursable Medical Expenses	All \$125 medical expenses (including non-prescription drugs) except long-term care expenses and insurance premiums	All \$125 medical expenses (including non-prescription drugs and insurance premiums) except long-term care expenses	All \$125 medical expenses (including non-prescription drugs) and long-term care expenses but not health insurance premiums (subject to exceptions)
Premiums for Medical Coverage Reimbursable	No	Yes, for any health plan	Yes, COBRA and qualified long-term care coverage, health plan coverage while receiving unemployment compensation, health plan coverage (other than Medicare supplemental insurance) for those age 65 or older
Long Term Care Reimbursable	No, neither LTC expenses nor coverage	Yes, LTC expenses excluded, but LTC coverage can be reimbursed.	Yes, LTC expenses and LTC coverage can be reimbursed

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