

## What's the Difference?

### Health Savings Account (HSA) vs. Flexible Spending Account (FSA)

	HEALTH SAVINGS ACCOUNT	FLEXIBLE SPENDING ACCOUNT
	ABC Plans 1, 2 or 3	CHOICES or Essentials Plan
<i>What is it?</i>	Tax-advantaged account owned by employee that allows the account holder to save and pay for qualified medical expenses.	Tax-advantaged account owned by employer that allows employees to pay for qualified medical expenses.
<i>Who is eligible?</i>	Individuals covered by a high-deductible health plan and who don't have other non-HDHP coverage.	Any employee, subject to employer-designed exclusions.
<i>Who funds it?</i>	<ul style="list-style-type: none"> <li>Individual</li> <li>Employee via pre-tax payroll deduction</li> <li>Employee may choose to fund or not to fund their account</li> </ul>	<ul style="list-style-type: none"> <li>Employee via pre-tax payroll deduction – our payroll deductions are made over the first 20 payrolls of the employee in the calendar year.</li> </ul>
<i>Is contribution amount adjustable?</i>	Yes	No, unless there is a qualifying event.
<i>Maximum annual contribution?</i>	2023 Single - \$3,850 2023 Family - \$7,750	\$3,050
<i>Catch-up contribution allowed?</i>	Yes, ages 55 and older until employee is enrolled in Medicare at age 65 - \$1,000	No
<i>Year to year carryover of unused fund?</i>	Yes	Yes, up to \$570. Any balance over \$570 is forfeited. Carryover funds are not available for use until April of the following year.
<i>Interest and earnings?</i>	Yes	No
<i>Is personal health information private?</i>	Yes	No. Employee has to provide explanation of expenses to be reimbursed.
<i>Investment options?</i>	Yes	No
<i>Portability?</i>	Yes, the employee owns the account and can use it in retirement or if they change employers.	No
<i>If I close my account, can I receive the remaining balance?</i>	Yes, without penalties or tax if the employee is age 65 or older.	No
<i>Can I pay COBRA premiums or other plan premiums with it?</i>	Yes	No

Employees with an HSA plan can elect a Flexible Spending Plan Account for Dependent Care and/or a Limited Purpose Flex Account. The Limited Purpose Flex Account is for use with dental and vision expenses ONLY.