

# Comparison of Health Care Accounts

	Health Savings Account (HSA)	Health Reimbursement Arrangement (HRA)	Health Flexible Spending Account (FSA)	DCAP Dependent Care Assistance Program (DCAP)
<b>Account ownership</b>	Employee/ Individual	Employer (held in employee's name)	Employer (held in employee's name)	Employer (held in employee's name)
<b>Deposits made by</b>	Employer, employee or both	Employer	Employer, employee or both	Employer, employee or both
<b>Separate account</b>	Required; IRA-type account	Not required; paid from employer assets	Not required; paid from employer assets	Not required; paid from employer assets
<b>Expenses covered</b>	Medical, dental, vision, prescription and some over-the-counter expenses. COBRA, retiree medical insurance premiums, LTC premiums or expenses <i>Reference: IRC § 213(d)</i>	Medical, dental, vision, prescription and some over-the-counter expenses. Post-tax insurance premiums <i>Reference: IRC § 213(d)</i>	Medical, dental, vision, prescription and some over-the-counter expenses <i>Reference: IRC § 213(d)</i>	Caregiver costs for dependent care expenses while at work <i>Reference: IRC § 129</i>
<b>Accompanying plan requirements</b>	Must be covered by qualified HDHP and not covered by any plan that covers medical expenses under the deductible <b>HDHP Minimum Deductible 2017:</b> \$1,300 single; \$2,600 family <b>HDHP Minimum Deductible 2018:</b> \$1,300 single; \$2,600 family	Generally, must be integrated with group medical plan meeting health care reform requirements	None	None
<b>Contribution limits</b>	Calendar year limits: <ul style="list-style-type: none"> <li>• <b>2017:</b> \$3,400 single; \$6,750 family; Catch Up: \$1,000</li> <li>• <b>2018:</b> \$3,450 single; \$6,900 family; \$1,000 Catch Up</li> </ul>	None	\$2,600 per plan year with potential for annual inflation increases. The limit is per person. Employers may elect a lower contribution limit.	\$5,000 per calendar year if single or married filing jointly, \$2,500 if married filing separately
<b>Portability</b>	Full portability required	Portability allowed at employer's discretion	None	None
<b>Rollover</b>	Full rollover required	Rollover allowed at employer's discretion	\$500 rollover allowed at employer's discretion	None
<b>Funds availability</b>	As deposits are credited	As deposits are credited; may be credited in a lump sum	Full annual election available on first day of coverage (uniform coverage)	As deposits are credited

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<b>Claim adjudication</b>	Not allowed; though participants must retain receipts	Required	Required	Required
<b>Compatibility with other savings accounts</b>	May be paired with HRA, FSA if they are limited to amounts over deductible, or to dental/vision only; may be paired with DCAP, PRA	May be paired with FSA, DCAP, PRA. If paired with an HSA, must be limited to amounts over the deductible or to dental/vision only	May be paired with HRA, DCAP, PRA. If paired with an HSA, must be limited to amounts over the deductible or to dental/vision only	May be paired with HSA, HRA, FSA, PRA
<b>Employer contributions</b>	Can be made on behalf of current employees (account extends to spouse and dependents)	Can be made on behalf of current and former employees, their spouses and dependents, and spouses and dependents of deceased employees	Can be made on behalf of current employees (account extends to spouse and dependents)	Can be made on behalf of current employees (account extends to spouse and dependents)
<b>ERISA plan</b>	Generally no	Yes	Yes	No
<b>COBRA</b>	Does not apply	Applies	Applies	Does not apply
<b>Retirees</b>	Can be covered	Can be covered	Cannot be covered	Cannot be covered
<b>Debit card usage</b>	Yes	Yes	Yes	No
<b>Contributions for Medicare participants</b>	Contributions cannot be made once an individual has Medicare coverage.	No limits on contributions	No limits on contributions	No limits on contributions
<b>Usage for ineligible expenses</b>	Allowed. Amounts included in income; and subject to 20% penalty unless after account beneficiary's death, disability or attaining age 65	Not allowed	Not allowed	Not allowed
<b>Distributions for expenses incurred after individual is no longer eligible</b>	Can be made	Can be made at employer's discretion, or if COBRA is elected	Can be made if COBRA is elected	Can be made for remainder of plan year at employer's discretion
<b>Coverage for sole proprietors, partners and 2% or more S-corp owners</b>	Yes, but not eligible to participate in pre-tax cafeteria plan used to fund HSA in the workplace	Cannot be covered	Cannot be covered	Cannot be covered