



What are differences between an HSA, HRA and FSA?

Compare the details about Health Savings Accounts (HSA), Health Reimbursement Accounts (HRA) and Flexible Spending Accounts (FSA) to learn which one may be right for you.

	Health Savings Accounts (HSA)	Health Reimbursement Accounts (HRA)	Flexible Spending Accounts (FSA)
How do I get it?	You must have a high deductible health plan that meets a deductible amount set by the IRS to be eligible.	If your employer offers this type of health plan, you will get an HRA when you sign up for the plan.	You establish an FSA through your employer. It doesn't have to be tied to a health plan.
Who funds it?	You do. You contribute pre-tax money via payroll deductions, with a maximum of \$3,550 for self only and \$7,100 for families for 2020. These amounts generally change every year. Your employer, family and others can put money into it if they choose. Any unused funds continue to roll over year to year. Like any personal savings account, there's no limit to how much you can save over time.	An HRA is funded entirely by your employer. You can't put your own money into it.	You contribute via payroll deductions. Your employer can also contribute.
How can I spend the money?	It can only be used for qualified medical expenses. This does not include paying for premiums.	You can use your HRA for premiums and medical expenses	Your employer keeps the funds. Even if you stay at your job, you could lose your FSA money if you don't use it within one benefits year – so it's a good idea not to park more money in your account than you can spend.
What happens if I leave my job?	If you leave your job, you can take your HSA with you. (Once you've established an HSA, it's yours forever.)	You can't take an HRA with you when you go (it belongs to your employer).	You can only use the money for out-of-pocket expenditures or qualified medical expenses – health insurance premiums don't qualify. The amount you can spend is capped.
What are the tax advantages?	Tax benefits include tax deductible contributions and account holders can build up their HSA by earning tax-free interest as well as tax-free returns from investing their funds.	An HRA is tax-free for both you and your employer.	You don't pay federal, state or Social Security taxes on this money.