

An HSA or Health FSA will allow you to defer pre-tax dollars for future medical expenses incurred by you, your spouse and other tax dependents. You cannot be enrolled in both types of account at the same time. This page is meant to help you determine which account would be best for you.

"Eligible Medical Expenses" for both plans includes health plan deductibles, copays, and coinsurance amounts, acupuncture, bandages and first aid supplies, contact lenses and glasses, fertility treatments, hearing aids, massage therapy, and some over-the-counter (OTC) medications (a prescription from your health care provider is required for massage therapy and OTC medications). See [Health Equity's website](#) for specific information on eligible expenses.

With both a Health FSA and an HSA, amounts you elect are deducted from your pay before taxes are calculated so you do not pay federal tax, FICA, and in most cases, state taxes on the dollars deferred. Most people can save approximately 25% on each dollar they set aside for medical expenses they are paying anyway. Review your medical expenses from last year that you expect to reoccur and any medical services you have planned for the coming year--this is a good indicator of the amount you should defer.

There are several important differences between an FSA and an HSA. You may not be enrolled in both at the same time. Some of the differences are summarized in the following table.

	Flexible Spending Account	Health Savings Account
Account Overview	A Healthcare FSA similarly empowers members to set-aside pre-tax money to pay for eligible medical expenses. The difference is that members do not keep their unused FSA money and funds may be forfeited back your employer. FSAs are generally paired with traditional health plans.	An HSA lets you use pre-tax money to pay for qualified medical expenses. HSAs require an HSA-qualified health plan in order to contribute. You can invest HSA dollars and grow tax-free earnings. Funds never expire—even if you change health plans, employers, or retire.
Type of Health Plan with Account?	Any health plan, can have double coverage	Only an HSA-qualified high-deductible health plan
When are Funds Available to Use?	You may use your full year's Health FSA election at any time during the plan year	You may only use funds that have already been deferred into your account
Deadline to Spend Funds?	Spend or incur eligible expenses on or before September 15 following the end of the plan year	May spend or be reimbursed for eligible expenses at any time
Subject to Forfeiture/Use or Lose?	Yes, amounts not used for eligible expenses incurred before the end of the grace period (September 15) are forfeited - requests for reimbursement must be submitted by December 31	No, your balance rolls over from year to year and can be used for future medical expenses; there is no deadline for requesting reimbursement
Can you make Changes to Elections?	You may only change your election during the plan year if	You may change your contribution amount at any time.

	you experience a qualified status change event (you must request this change within 90 days of the event or before the end of the plan year, whichever is earlier)	
Can Funds be used for Long-term Savings?	No, balances do not earn interest and cannot be invested	Yes, amounts over a certain amount may be invested through TIAA; interest and earnings are also tax free if used for eligible medical expenses
What Happens if You Leave the University?	If you leave the University or move to a position that is not benefit-eligible, funds not used for eligible medical expenses incurred prior to the change are forfeited unless you continue participation by electing COBRA coverage	Your account belongs to you and you can take it with you if you leave the University

If you have any questions about a Health Savings Account, please contact [HealthEquity](#) at 1-866-346-5800 or email them at memberservices@healthequity.com.