

Comparison of Health Care Accounts

	Health Savings Account (HSA)	Health Reimbursement Arrangement (HRA) AVAILABLE TO TEACHERS ONLY	Health Flexible Spending Account (FSA)	Dependent Care Flexible Spending Account
Account Ownership	Employee/Individual	Employer (held in employee's name)	Employer (held in employee's name)	Employer (held in employee's name)
Deposits made by	Employer, employee or both	Employer	Employer, Employee or both	Employer, employee or both
Expenses covered	Medical, dental, vision, prescription and some over-the-counter expenses. COBRA, retiree medical insurance premiums, long-term care premiums or expenses.	Integrated: Medical, dental, vision, prescription and some over-the-counter expenses ¹ Limited: Dental and Vision only for Limited plan ²	Medical, dental, vision, prescription and some over-the-counter expenses	Caregiver costs for dependent care expenses while at work
Accompanying plan requirements	Must be covered by qualified HDHP and not covered by any plan that covers medical expenses under the minimum deductible. HDHP Minimum Deductible 2019: \$1350 single, \$2700 family	To initiate an HRA through ISD 728, teacher must enroll in the qualifying plan (\$500 Deductible, Single or Coordinated Family).	None	None

¹ The HRA is considered Integrated when the employee is active in the contributing plan - \$500 Deductible, Single or Coordinated Family plan

² The HRA is considered Limited when the employee is no longer active in the contributing plan - \$500 Deductible, Single

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Contribution Limits	2019: \$3500 Single \$7000 Family \$1000 Catch up (55+)	None	\$2650 per plan year with potential for annual inflation increases. This limit is per person.	\$5000 per calendar year if single or married filing jointly, \$2500 if married filing separately
Portability	Full portability required	Upon teacher separation/retirement, funds in the HRA will be transferred to MSRS account	None	None
Rollover	Full rollover required	Rollover allowed by employer	None	None
Funds availability	As deposits are credited	As deposits are credited; may be credited as a lump sum	Fully annual election available on first day of coverage	As deposits are credited
Claims adjudication	Not allowed; though participants must retain receipts	Required	Required	Required
Compatibility with other savings accounts	May be paired with HRA, FSA if they are limited to dental/vision only; may be paired with DCAP	May be paired with FSA, DCAP. If paired with HAS, must be limited to dental/vision only	May be paired with HRA, DCAP. If paired with HAS, must be limited to dental/vision only	May be paired with HSA, HRA, FSA
Employer contributions	Can be made on behalf of current employees (account extends to spouse and dependents)	Can be made on behalf of employees	ISD 728 does not currently contribute to FSA plans	ISD 728 does not currently contribute to DCAP plans

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COBRA	Does not apply	Funds are transferred to MSRS upon separation	Applies unless account is overspent (election amount reimbursed exceeds employee contribution)	Does not apply
Retirees	Can be covered	Can be covered, however funds are transferred to MSRS upon separation	Cannot be covered	Cannot be covered
Debit card usage	Yes	No	Yes - \$20 per plan year fee	No
Contributions for Medicare participants	Contributions cannot be made once an individual has Medicare coverage	No limits on contributions	No limits on contributions	No limits on contributions
Usage for ineligible expenses	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
Distributions for expenses incurred after individual is no longer eligible	Can be made	Can be made, however funds are transferred to MSRS upon separation	Can be made if COBRA is elected	Can be made for remainder of plan year