



FACT SHEET: Your FSA and HRA*



Your employer has provided you with an FSA & HRA* account to help you pay for your healthcare expenses including deductibles, co-pays, dental and vision expenses, prescriptions, etc. Using these accounts in tandem provides significant tax savings!

Medical Flexible Spending Account (FSA)

- You can add your own funds
- Think of your FSA as "short-term" savings
- At end of plan year, the account will have an annual carryover limit subject to IRS limits or a Grace Period. Funds in excess of the carryover limit must be depleted or they will be forfeited. Any funds leftover after the conclusion of a Grace Period will be forfeited.

Health Reimbursement Arrangement (HRA)*

- Only employer can add funds
- Think of your HRA as "long-term savings"
- Unused funds rollover annually and gain interest
- Use HRA funds in your retirement years, including for premiums, when you may need it most!



Note: Usually FSA funds should be used before HRA funds. Make sure to check your plan documents to know which account's funds you should be using first.