

## HRA or HSA: Which is right for you?

Question	HRA	HSA
<b>What is it?</b>	An account set up and funded by your employer to help pay for eligible health care expenses.	A savings account (compatible with a high deductible health plan) that you own to help pay for qualified health care expenses.
<b>Who's eligible?</b>	All employees enrolled in the plan, as set by the employer.*	Anyone enrolled in a qualified High-Deductible Health Plan (HDHP)**
<b>Who owns the account?</b>	Your employer.	You
<b>Who can contribute?</b>	Only your employer.	You, your employer, family and others.
<b>Limit to the dollar amount that can be put in?</b>	Depends on employer rules.	Yes. There is an IRS limit on how much you can put into it each year.
<b>Will the balance carry over into the next plan year?</b>	Your employer may not allow or may limit the amount that can carry over.	Yes. The money will stay in your account until you choose to spend it. You can save and use it into retirement.
<b>Can I take the account with me? Is it portable?</b>	No	Yes
<b>Can the money in the account earn interest?</b>	No	Yes
<b>Can I use the money for things other than qualified or eligible health care expenses?</b>	No	Yes, when you reach age 65. When you withdraw the money, it is subject to income tax only. If you are under age 65, the money is subject to income tax and may also be subject to a 20% penalty tax.
<b>Can I use the money to pay for COBRA or other plan premiums?</b>	Yes, if allowed by your employer.	Yes, as allowed by IRS guidelines.

\*You may not enroll under this option if you are considered self-employed (including partners and more-than-2% shareholders in a subchapter S corporation). Please refer to your plan documents, including specific information on your HRA, or contact your employer for more information.

\*\*A High Deductible Health Plan (HDHP) is a health insurance plan with lower premiums and higher deductibles than a traditional health plan. You cannot open an HSA if, in addition to coverage under an HSA-qualified HDHP, you are also covered under a Health Flexible Spending Account (FSA) or an HRA or any other health coverage that is not a HDHP. Prior to enrollment with an HSA provider, you must certify that you have enrolled or plan to enroll under a HDHP and are not covered under any other health coverage that is not a HDHP. The HSA provider and/or trustee/custodian is solely responsible for all HSA services, transactions and activities. Cigna and your employer are not responsible for any aspects of the HSA services, administration or operation.