

HSA vs. HRA

		Health Savings Account (HSA)		Health Reimbursement Account (HRA)
Who is eligible?		Any individual covered by a qualified high-deductible health plan		All employees
Who can contribute?		Employer, individual, or both		Employer only
What are the funding options?		Funded account with real dollars		Typically paid as incurred
Does the balance carry over?		Unused fund balance carries over to next year		Unused fund balance carries over to the next year
Are rollovers permitted?		Rollovers are permitted from MSAs & HSAs		Rollovers are not permitted to HSAs
Is the fund or account portable?		Yes		No
Are there interest or investment earnings?		Yes, account earns tax-free interest		No
What are the tax advantages?		Qualified withdrawals are not taxes: Non-qualified withdrawals are subject to income tax and 10% penalty		Rembursements are excluded from employee's gross income