

FSA & HSA ACCOUNTS

ACCOUNT INTERACTIONS FAQs

Participants in Health Savings Accounts (HSA) can pay for qualified medical expenses on a tax free basis as long as they are covered by a High Deductible Health Plan (HDHP) and are not covered by an other health plans that is not a HDHP. Several common questions are answered here about the interaction of HSAs and other arrangements.

Frequently Asked Questions

My employer offers a Flexible Spending Account (FSA) and Health Savings Account (HSA), can I have both?

You can have both types of accounts, but only under certain circumstances. General Flexible Spending Accounts (FSAs) will probably make you ineligible for an HSA. If your employer offers a “limited purpose” (limited to dental, vision or preventive care) or “post-deductible” (pay for medical expenses after the plan deductible is met) FSA, then you can still be eligible for an HSA.

My employer offers a Flexible Spending Account (FSA) and a Health Reimbursement Account (HSA) arrangement, can I have both?

You can have both types of accounts, but only under certain circumstances. General Health Reimbursement Arrangements (HRAs) will probably make you ineligible for an HSA. If your employer offers a “limited purpose” (limited to dental, vision or preventive care) or “post-deductible” (pay for medical expenses after the plan deductible is met) HRA, then you can still be eligible for an HSA. If your employer contributes to an HRA that can only be used when you retire, you can still be eligible for an HSA.

My Spouse has a FSA or HRA through their employer, can I have HSA?

You cannot have an HSA if your spouse’s FSA or HRA can pay for any of your medical expenses before your HDHP deductible is met.

Can I get an HSA even if I have other insurance that pays medical bills?

You are only allowed to have automobile, dental, vision, disability and long-term care insurance at the same time as an HDHP. You may also have coverage for a specific disease or illness as long as it pays a specific dollar amount when the policy is triggered. Wellness programs offered by your employer are also permitted if they do not pay significant medical benefits.

What other coverages might interact with HSA?

You are not eligible for an HSA after you have enrolled in Medicare or if you have received any health benefits from the Veterans Administration or one of the facilities in the last three months or participate in the military’s Tricare Plan. If you had an HSA before you enrolled in Medicare, you can keep it, but not continue to make contributions.

Participants are encouraged to learn additional details about Health Savings Accounts through The United States Treasury Department on their website at www.ustreas.gov. The site contains additional answers to a variety of questions about establishing and using a HSA. J.P. Farley’s representatives are happy to assist you with any questions you may have about your plan.

* This information is not intended to replace the health plan document or legislated guidance. Check your health plan for specific coverages.