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### **For Your Benefit: Differences Between FSA and HSA**

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Hi, I'm Dwayne Willis, an HR Specialist of Benefits here at UVA. Do you want to save money on healthcare expenses? UVA's benefit savings accounts can help! To help maximize your savings, let's talk about the differences between a Health Savings Account, or "HSA," and a Flexible Spending Account, or "FSA."

The biggest difference between FSAs and HSAs is that an HSA will allow contributions to roll over year-to-year, while an FSA's contributions don't roll over and must be used within the calendar year. Although FSA contributions are "Use them or lose them," they do have a grace period, giving you more time to use your leftover money from the previous coverage year. You can continue spending unused funds until March 15, with April 30 as the deadline to submit claims for expenses occurring prior to March 15. Keep in mind, however, that using the grace period to switch from a higher cost plan to the high-deductible plan will delay the funding of your HSA.

How readily are each of these funds available? HSA contributions are available as funds are deposited, usually a few days after payday. FSA contributions for the year are available in full after your first paycheck of the year. But keep in mind that you will not keep money in an existing FSA if you switch from a higher cost plan to the high-deductible plan.

Eligibility for an HSA is a little different than an FSA. You must be enrolled in the High-Deductible Health Plan option in order to have an HSA. Depending on your employee type. UVA may contribute money to your HSA. Wage and J1 Visa employees are not eligible for an HSA. UVA contributes money to your HSA right off the bat, depending on whether you're single or a family covered by the UVA Health Plan. That's free money for you to spend on your health!

Both HSA and FSA contributions are taken pre-tax from your paycheck, helping you save even more since you're using money that otherwise would have been reduced by taxes. Your contributions to either account type can be used for eligible medical expenses throughout the year. You can pay for eligible expenses by filing a claim, paying online, or using your Benefits card.

An HSA or FSA is waiting to help you save money on your health care costs!

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HR FSA webpage: [hr.virginia.edu/flexible-spending-account](http://hr.virginia.edu/flexible-spending-account).

HR HSA webpage: [hr.virginia.edu/health-savings-account](http://hr.virginia.edu/health-savings-account).

For questions, email [AskHR@virginia.edu](mailto:AskHR@virginia.edu), or call 434.243.3344.