

HSA and FSA ^[1]

CU offers programs designed to give you tax advantages that offset health care and dependent care costs.

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What is an FSA?

FSA (Flexible Spending Account) A tax-savings account set up by you to pay for certain qualifying expenses on a pre-tax basis, meaning before they are made subject to payroll taxes. ^[2] allow you to set aside money for certain expenses (medical, child care/elder care costs). You don't pay taxes on this money, meaning you'll save an amount equal to the taxes you would have paid. Accounts are subject to a "use-it-or-lose-it" Use It or Lose It The IRS regulations in regards to the money you elect to contribute to flexible spending accounts that must be spent and claimed within the designated period of time or the monies will be forfeited. ^[3] rule each



^[4]



[5]

What is an HSA?

An HSA (Health Savings Account) is a tax-savings account that must be paired with a High-Deductible Health Plan, which can be used to pay for qualified health care expenses now or in the future. An HSA is a savings account that you own. The funds in an HSA carry forward year after year, even if you change employers or retire. [6] is an account that must be paired with a high-deductible health plan and can be used for qualified medical expenses. Qualifying Health Care Expenses: The expenses incurred for medical, dental or vision care for yourself and your tax dependents, as defined in Code Section 213(d) under Code Section 105. [7], like a doctor's visit or prescription drugs. The money you put into an HSA (Health Savings Account) is a tax-savings account that must be paired with a High-Deductible Health Plan, which can be used to pay for qualified health care expenses now or in the future. An HSA is a savings account that you own. The funds in an HSA carry forward year after year, even if you change employers or retire. [6] rolls over from year to year.



[8]

Compare plans

Use this chart for a quick overview of the differences between an FSA (Flexible Spending Account) A tax-savings account set up by you to pay for certain qualifying expenses on a pre-tax basis, meaning before they are made subject to payroll taxes. [2] and an HSA (Health Savings Account) A tax-savings account that must be paired with a High-Deductible Health Plan, which can be used to pay for qualified health care expenses now or in the future. An HSA is a savings account that you own. The funds in an HSA carry forward year after year, even if you change employers or retire. [6]

[Learn more](#) [9]

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Employee Services

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[9] <https://www.cu.edu/docs/hsa-and-hcfsa-comparison-chart>