

# Did You Know - RUSO Benefits

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As healthcare costs continue to rise, many employees are seeking alternatives to paying out of pocket for healthcare expenses. Two popular options offered by RUSO schools are health savings accounts and flexible spending accounts. Find out more about the two accounts, eligible expenses and other important information.

## What is a Health Savings Account?

A health savings account (HSA) is an account used in conjunction with a high deductible health plan (HDHP). An HDHP is a health plan that meets specific contribution and deductible criteria set forth by the IRS. HSA contributions are tax free up to the IRS defined contribution limit of \$3400 for individuals and \$6750 for families. Funds contributed to an HSA account can be used for eligible medical expenses and any unused funds roll over each benefit year.



## What is a Flexible Spending Account?

A flexible spending account (FSA) is an account used to fund eligible health care expenses, including medical, dental and vision expenses, that are not covered by a health insurance plan. FSA contributions are tax free up to \$2700 per employee. Unused funds typically do not roll over to the next benefit year.

## How do I access funds that I have contributed to my HSA or FSA account?

The third party administrator contracted to manage the account will provide to you a debit card used to pay for services and expenses. You may use the debit card provided or you may choose to pay out of pocket and submit documentation to the third party administrator for reimbursement.

HSA account funds are available as funds are deposited by you via payroll deduction.

FSA funds are available in a lump sum at the beginning of each benefit year with your payroll deductions reimbursing the plan each pay period.

When accessing services or paying healthcare related expenses with HSA or FSA funds, third party administrators generally ask that subscribers provide a prescription from a doctor or an itemized receipt to verify that services provided were eligible and allowed expenses.

## What expenses are eligible for reimbursement through my account?

HSA eligible expenses include only those that are medically necessary. Cosmetic or elective services and expenses are not eligible. COBRA, retiree and Medicare premiums are eligible expenses.

FSA eligible expenses can include but are not limited to acupuncture, hearing aids, over-the-counter medications, deductibles, orthodontia, physicals, vaccines, immunizations, teeth cleanings, eye glasses, contacts, LASIK surgery and weight loss programs as prescribed by doctors. For a complete list, contact your third party administrator or your institution's Human Resources professional.

## Where can I find more information regarding FSAs and HSAs?

Contact a tax professional regarding specific tax benefits and your institution's Human Resources professional for plan specific information.