



Health Savings Account and Healthcare Flexible Spending Account

2025 PLAN YEAR ACCOUNT COMPARISON

	HSA	HEALTHCARE FSA
Eligibility	<p>Full-time (75% FTE or more) appointed academic and staff employees who meet the IRS-defined eligibility requirements for an HSA, including:</p> <ol style="list-style-type: none"> 1. You are covered under a qualified high deductible health plan (including the Anthem PPO HDHP), 2. You have a valid Social Security Number, 3. You are not listed as a dependent on anyone's tax return, 4. You do not have medical coverage other than a qualified HDHP, including Tricare (if you have VA benefits, receiving preventive care services or treatment for a service-related disability from the VA does not disqualify you from participating in an HSA), and 5. You are not enrolled in Medicare (enrollment in any part of Medicare makes you ineligible to make or receive tax-free contributions to an HSA). 	<p>Full-time (75% FTE or more) appointed academic and staff employees, and medical & optometry residents.</p>
Annual contribution limits	<p>Minimum: \$300 Maximum: \$4,300 individual / \$8,550 family Catch-up: Additional \$1,000 per year if age 55 & up during the plan year</p>	<p>Minimum: None Maximum: \$3,200 Catch-up: None</p>
Annual university contribution	<p>\$1,300 employee-only coverage \$2,600 all other coverage levels</p> <p><i>NOTE: Enrollments or coverage changes on or after Oct. 1 do not receive IU's contribution (or an adjustment to IU's contribution) for the year.</i></p>	<p>None</p>
Availability of funds	<p>Funds are available as you deposit them through equal payroll deductions over the course of the year. IU's contributions are deposited in two installments — half in January, half in July when you enroll during Open Enrollment.</p>	<p>Full annual pledge is available in January. You "pay your account back" through equal payroll deductions over the course of the year.</p>
Mid-year contribution changes	<p>Mid-year contribution changes can be made at any time.</p>	<p>Mid-year contribution changes are only allowed if you experience a corresponding IRS-defined qualifying life event, such as marriage or the birth of a child.</p>
Interest bearing account	<p>Yes. Funds in your HSA earn interest, similar to a traditional savings account.</p>	<p>No.</p>
Investment options	<p>Yes. Funds above \$1,000 in your cash account can be invested in a variety of mutual funds.</p>	<p>No.</p>
Claims process	<p>Upon enrollment, you are issued an IU Benefit Card, a debit-type Visa card. You can use this card to pay for eligible expenses at healthcare providers or pharmacies using your HSA and healthcare FSA funds.</p> <p>Alternatively, you can pay out-of-pocket and reimburse yourself from your HSA.</p> <p>Documentation: While you don't need to submit receipts for reimbursement, the IRS requires you to keep documentation proving that HSA distributions were used for qualified health expenses.</p> <p>Claims deadline: None.</p>	<p>Upon enrollment, you are issued an IU Benefit Card, a debit-type Visa card. You can use this card to pay for eligible expenses at healthcare providers or pharmacies using your HSA and healthcare FSA funds.</p> <p>Alternatively, you can pay out-of-pocket and request reimbursement from WEX.</p> <p>Documentation: Documentation, such as receipts, must be submitted with requests for reimbursement.</p> <p>Claims deadline: February 28 of the following year.</p>
Use of funds	<p>Use funds for IRS-approved health expenses. You are responsible for verifying that your use of funds is appropriate.</p> <p>You can also use HSA funds for non-health expenses after age 65 (you must pay income taxes on those funds).</p>	<p>Use funds for IRS-approved health expenses. WEX is responsible for verifying that your use of funds is appropriate.</p> <p>When enrolled in the healthcare FSA and HSA, your FSA funds can only be used for vision and dental expenses until your HDHP deductible has been met for the year.</p>
Incurring expenses	<p>Use funds for expenses incurred as far back as the original date the account was opened.</p>	<p>Use funds only for expenses incurred during the plan year (January – December), and only during the months you're enrolled in the plan.</p>
Using funds for family members	<p>Use funds for your legal spouse and IRS tax dependents (i.e. qualified children under age 19, or age 24 and going to school full-time).</p>	<p>Use funds for your legal spouse and children through age 25, even those who are married or living away from home.</p>
"Use it or lose it" rule	<p>No. Full balance rolls over year-to-year.</p>	<p>Yes. However, up to \$640 of unused funds will roll over to the next plan year—any unused funds over \$640 after the claims deadline are forfeited.</p>
Portability	<p>Your HSA is your account, even when you leave IU or retire.</p>	<p>Participation in the FSA ends when you leave your job at IU or retire.</p>

This is only a summary. The entire provisions are contained in the plan booklets, which can be obtained at hr.iu.edu/benefits. In the event of a conflict with this document, the terms of the plan booklets will prevail.