

How Do the HRA and HSA Differ?	HRA	HSA
<b>Below is a highlight of some of the plan differences. See plan documents for full plan details.</b>		
Who owns the money in the account?	City's money	Your money
When is money contributed to the account?	<p style="text-align: center;">Up front:</p> <p>You have access to the City's contribution the first day of plan coverage</p>	<p style="text-align: center;">Over time:</p> <ul style="list-style-type: none"> <li>• About a month after you join the plan, the City contributes \$500 (pro-rated if you join after July 1)</li> <li>• Additional funds are deposited approximately 2 weeks after each pay day for the remainder of the plan year: \$20 single / \$60 if you're covering dependents</li> </ul>
Fund reduction	The fund reduces by \$1,000 if you go from covering dependents to covering only yourself.	Your fund balance isn't reduced, but the City will contribute \$20 each pay period going forward instead of \$60.
May I use fund money to pay IRS-qualified dental and vision expenses?	No	Yes
May I make personal contributions to the fund?	No	Yes
Do I need to file forms with my tax return reporting about the fund to the IRS?	No	Yes
What if I have a dependent on the plan who isn't my tax dependent?	You may use your HRA account to help pay for their expenses.	HSA funds may <u>not</u> be used to pay for their expenses.
What if I or my dependent has other medical coverage?	No issue (unless you're a retiree – see the Retiree section later in this Handbook)	<p>IRS rules don't allow HSA plan participation if you or your spouse have other coverage including but not limited to:</p> <ul style="list-style-type: none"> <li>• A plan that doesn't meet IRS requirements for a high deductible health plan</li> <li>• Medicare</li> <li>• Tricare</li> <li>• A health care flexible spending account that will pay for medical expenses (One that will pay only for dental and vision expenses is OK.)</li> </ul>
How do prescriptions work?	You pay a copay	You pay 100% of the cost until you reach your deductible; then you pay a percentage of the cost.