Comparing HSAs & FSAs

Differences in HSAs and FSAs

Health Savings Accounts (HSAs), and Flexible Spending Accounts (FSAs) are common types of reimbursement accounts offered by First Financial Administrators, Inc. These accounts allow you to set aside money for qualified medical expenses, while reducing your overall tax burden.

However, there are significant differences between an HSA and a FSA. With an HSA, you own the account and can take it with you wherever you go, with funds that you can't lose. Also — unlike a FSA — your funds are generally available in your account only as contributions are made, instead of from the beginning of the plan year.

Both accounts have access to our FF Mobile Account app to view account balances, check claims status and more. The app is available for download on Google Play and the App Store.

HSA	FSA
ELIGIBILITY REQUIREMENTS	
Must have qualified HDHP and no other disqualified health plan. Cannot be covered under a traditional FSA or spouses traditional health plan. Can not be enrolled in MediCare.	No FSA specific eligibility requirements.
YEARLY CONTRIBUTION AMOUNTS	
$4,300 Individual, $8,550 Family in 2025. / $4,400 Individual, $8,750 Family in 2026. Employee and employer contributions both count toward the limit.	IRS limit of $3,300 per FSA in 2025.
AVAILABILITY OF FUNDS	
Funds are available as contributions are made.	The full election amount is available on the first day of the plan year.
CHANGING CONTRIBUTION AMOUNTS	
Contributions can be changed at any time.	May be adjusted at open enrollment or with a qualifying life event in employment or family status.
ROLLOVER	
Any unused balance always rolls over to the next calendar year.	FSAs are "use it or lose it" and you forfeit any unused balance at the end of the plan year. Your employer may opt to allow either a 2 1/2 month grace period to submit charges made in plan year or a rollover allowing you to use funds up to $660 (2025) for expenses in the new plan year.

FFGA Benefit Solutions Simplified

For more information on your HSA, call (866) 853-3539 or visit www.ffga.com.

HSA	FSA
PORTABILITY	
It's your account. You can take it with you wherever you go.	You will lose your FSA with a change in employment.
EFFECT ON TAXES	
Contributions may be taken out of your paycheck pre-tax. Growth and distributions for qualified expenses are tax free or be made on the portal with after-tax contributions. Tax deduction on taxes at end of year.	Contributions are taken out of your paycheck pre-tax. Distributions are tax free for qualified expenses.
DOCUMENTATION	
You are responsible to maintain documentation in case of an IRS audit.	You will be requested to provide documentation to substantiate the expense.
TAX DOCUMENTS	
1099-SA distributions will be sent to you by January 31. 5498 Contributions will be issued in May.	Reported on W-2.
INVESTMENTS	
Investment options are available once you have accumulated the minimum required balance. Investments can be made online by logging into the secure portal at www.ffga.com.	No investment options
DISTRIBUTIONS	
Any distribution amount not used exclusively to pay for qualified medical expenses is included in your gross income and may be subject to an additional 20% tax.	Expenses must be incurred during the plan year.

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