



Comparison of Healthcare Reimbursement Programs

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Comparison of healthcare reimbursement programs

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
General			
Nature of the program	Typically notional accounts to which employee pretax and/or employer flex contributions are credited.	Typically notional bookkeeping accounts to which employer contributions are credited.	Trusteed accounts to which employer, employee pretax and/or employee after-tax contributions are credited.
Group or individual arrangements; status of accounts	Group	Group	Individual accounts; may be offered individually or on group basis for any sized group.
Risk shifting	Yes; entire amount elected must be available from beginning of the coverage period.	No; may withdraw only what is credited to the account.	No; may withdraw only what is credited to the account. However, to mimic an FSA the employer may prefund the account and recoup the advance via payroll deductions, but may not recover amounts from the HSA if the employee uses all the funds and terminates employment prior to repayment, and may not restrict the purposes for which the employee receives distributions. If the employer "prefunds" HSAs, it must do the same for all participants on the same terms.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Integrated with other plan or program	Usually offered under a cafeteria plan.	<p>HRAs are often offered with a high deductible group medical plan, but a high deductible is not necessary (although after 2013, most HRAs must be integrated with other group coverage, as described below). Care must be taken to ensure the HRA benefits are not considered funded through a cafeteria plan, such as where HRA benefits are related to employee pretax salary reductions or to health FSA forfeitures.</p> <p>To supply new benefits after 2013, the HRA must be “integrated” with a group medical plan unless the HRA itself is not subject to the ACA’s market reforms (e.g., it benefits fewer than two active employees, such as a retiree-only HRA, or it offers only excepted benefits such as dental or vision benefits), or is a qualified small employer HRA (QSEHRA)¹. Generally, for an HRA to be considered “integrated” with group medical coverage:</p> <ul style="list-style-type: none"> ■ The plan sponsor must offer the employee other group medical coverage that does not consist solely of “excepted benefits,” such as dental, vision, critical illness or hospital indemnity coverage. ■ The HRA must cover only employees who are also covered under some other group medical coverage; the other coverage cannot consist solely of excepted benefits but need not be the HRA sponsor’s coverage (e.g., it could be offered by the employer of the employee’s spouse). 	Cannot be offered without a related high deductible health plan (HDHP).

¹ A QSEHRA is an HRA sponsored by an employer that is not subject to the ACA employer mandate and that meets numerous other requirements. QSEHRAs are not subject to many of the rules applicable to other HRAs. We discuss the special rules for QSEHRAs in alerts, which can be found [here](#) and [here](#).

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
		<ul style="list-style-type: none"> The HRA's reimbursements must be limited to premiums and to cost-sharing amounts under the integrated group medical plan, and to expenses for non-essential health benefits (non-EHB requirement waived if group coverage supplies "minimum value"). The HRA must permit covered employees to permanently opt out of the HRA; the opt-out right must be available at least annually. 	
Eligibility			
Eligibility limitations	Employees only; no partners, self-employed persons or >2% shareholders of subchapter S corporations.	<p>Employees only; no partners, self-employed persons or >2% shareholders of subchapter S corporations.</p> <p>It is unclear whether self-employed individuals may participate. Some argue it should be permissible if benefits are treated as taxable income. However, the IRS has informally noted that HRAs are only for employees, spouses and dependents.</p>	No limit; employees, partners, self-employed persons, >2% shareholders of subchapter S corporations (subject to other rules) may participate.
Special eligibility rules	<p>The employer defines eligibility; usually there are no special rules.</p> <p>However, allowing employees who are not eligible for other group health plan coverage of the employer to participate in the FSA causes the FSA to lose "excepted benefit" status under the HIPAA rules and the ACA, effectively rendering it noncompliant.</p>	<p>The employer defines eligibility; usually there are no special rules.</p> <p>An HRA for active employees and dependents must be "integrated" with medical coverage or offer only excepted benefits such as dental and/or vision coverage.</p> <p>Retiree-only HRAs are not subject to the integration requirement. However, coverage for pre-65 retirees disqualifies them from eligibility for subsidies in a public health</p>	<p>General rule: Generally, eligibility is determined on a month-by-month basis. To be considered eligible to make HSA contributions for the month, the individual MUST be covered under an HDHP supplying medical benefits on the first day of the month and not covered under a non-HDHP plan supplying healthcare benefits other than dental, vision or preventive care.</p> <p>Special "deeming" rule: However, if the employee is eligible to make HSA contributions for December, he or she is</p>

Flexible Spending Accounts (FSAs)	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
	<p>insurance exchange (Medicare-eligible retirees are not eligible anyway).</p> <p>Special eligibility rules apply to QSEHRAs.¹</p>	<p>deemed to have been eligible for the entire year and may make contributions accordingly but must stay eligible for the ensuing year or suffer adverse tax consequences.</p> <p>Minimum deductibles: The HDHP must provide comprehensive medical benefits with at least a \$1,350 deductible for single coverage and a \$2,700 deductible for family (for 2018). The minimum deductible increases if the “deductible period” exceeds 12 months.</p> <p>Embedded deductibles: Family HDHP coverage may not pay benefits (other than for preventive care) until the minimum family deductible set by the IRS is met. This creates problems for embedded individual deductibles unless they are at least as large as the minimum family deductible required by law.</p> <p>Out-of-pocket maximums (HDHP rules): Out-of-pocket maximums must be no greater than \$6,650 for single coverage and \$13,300 for family coverage (for 2018). HDHPs need not apply non-covered expenses or penalty amounts against the out-of-pocket maximum but must apply copays and deductibles. Managed care plans may impose higher out-of-pocket maximum for out-of-network care.</p> <p>Out-of-pocket maximums (ACA rules): ACA rules require embedding of an individual out-of-pocket maximum where the employee is enrolled in something other than employee-only coverage.</p>

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
			<p>The maximum embedded out-of-pocket limit is set by and adjusted for inflation under the ACA, and will tend to be larger than the individual out-of-pocket maximum under HDHP rules. In addition, only out-of-pocket expenses for covered essential health benefits need accumulate against the ACA-imposed embedded individual out-of-pocket maximum.</p> <p>Preventive care below the high deductible: An HDHP may pay for preventive care below the high deductible without becoming “disqualified.” Generally, preventive care is not care of existing conditions but may include treatment of conditions discovered and treated in the course of diagnostic or preventive procedures. Rx may be preventive if taken to prevent the onset of disease or the recurrence of a disease from which the person has recovered.</p> <p>Dental and vision coverage not disqualifying: Dental, vision, long-term care, insurance for specific diseases (e.g., cancer insurance) and most supplemental medical coverages cannot be HDHPs ... but neither are they considered disqualifying coverages, such that enrollment in them renders one ineligible for HSA contributions.</p> <p>FSA and HRA coverage: FSA and HRA coverage violates the “no non-HDHP medical coverage” rule unless it reimburses only dental, vision and/or preventive care expenses (i.e., a “limited purpose” FSA/HRA, or the FSA/HRA has a qualifying high deductible.)</p>

Flexible Spending Accounts (FSAs)	Healthcare Reimbursement Arrangements (HRAs)	Health Savings Accounts (HSAs)
		<p>FSA grace periods: Coverage under a health FSA during a grace period is not disqualifying if the account balance at the end of prior year (i.e., before the grace period begins) is \$0.</p> <p>FSA carryovers: Coverage under a traditional (i.e., non-limited purpose) health FSA with a carryover feature is disqualifying during the plan year to which the carryover amount is credited, unless the carryover is credited to an HSA-compatible, limited purpose FSA, either unilaterally or at the employee's election (if the employer offers that choice), or unless the employee waives the carryover, if the employer permits such waiver.</p> <p>EAPs, DM and wellness programs: Typical EAPs, disease management and wellness programs are not disqualifying coverage, nor are discount cards. Supplemental coverage is generally not disqualifying, except for "gap" or "supplemental" plans reimbursing deductibles and copays.</p> <p>VA benefits: An individual is not eligible to make HSA contributions for a given month if on the first day of the month is enrolled in Medicare, Medicaid or TRICARE, or received Veterans Administration care in the preceding three calendar months. However, if the care received through the VA in the preceding three calendar months was dental, vision or preventive care, or was provided to a veteran who has a disability rating from the VA, the care is not disqualifying coverage for the current month.</p>

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Contributions			
Nature and source of contributions	Employer and/or employee pretax.	<p>Contributions are employer only. Some have argued that employee after-tax contributions should be permitted. This might be permissible, but the contributions would need to be held in trust, if the employer is subject to ERISA.</p> <p>HRA benefits must not be funded through a cafeteria plan. Where the HRA is integrated with other group coverage (which will typically be the case), enrollment forms should make clear that employee salary reductions are applied only to premiums for the other coverage. Also, the amount of HRA benefits should not relate to salary reduction amounts or to amounts forfeited under an FSA.</p>	<p>Employer and/or employee pretax and/or employee after-tax (with above the line deduction) must be cash. Rollovers between HSAs may be in kind.</p> <p>IRA transfer: The HSA account holder may make a one-time transfer from an IRA to help fund the HSA but must stay eligible to make HSA contributions for the ensuing 12 months or suffer adverse tax consequences. The amount of an IRA transfer generally counts against the annual maximum contribution for the year of the transfer (see below).</p>
Contribution limit	<p>Employee pretax contributions are limited to \$2,750 (2020) per employee per plan year, adjusted each year for inflation.</p> <p>IRS rules permit employers to amend health FSAs to include a carryover to a following plan year of up to \$550 of residual FSA benefits from the prior year. The carryover does not count against the FSA limit.</p> <p>Note that significant employer contributions can cause the FSA to lose excepted benefit status under HIPAA rules and the ACA. The maximum FSA benefit cannot exceed twice the employee's contribution, or if greater, the employee's contribution plus \$550.</p>	<p>Traditionally set by the employer. Special contribution rules apply to QSEHRAs.¹</p>	<p>Generally: Annual limit is \$3,600 for individual coverage, \$7,200 for family (2021).</p> <p>Catch up: Catch up contributions are permitted for persons 55 to 65; the annual limit is \$1,000 (in 2021), applied ratably per month of eligibility (however, recall the rule described above, about deemed eligibility for the entire year if the individual is eligible for December).</p> <p>Employees are not eligible to make or receive HSA contributions for a given month if they are enrolled in Medicare or TRICARE on the first day of the month, or have received VA care in the preceding three calendar months. However, if the care received through the VA was for dental, vision or preventive care, or provided to a veteran who has a disability rating from the VA, the care is not disqualifying coverage for the current month.</p>

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Timing of contributions	Must be made in year to which claims relate; typically made per payroll period.	Anytime during the year to which claims relate; usually credited at the beginning of the year, in one lump sum.	Can be made at any time during the year, and even up to April 15 of following year. The HSA must be “established” before contributions may be made. Some trustees require the HSA to be established in the year to which the contributions relate, where contributions are made for the prior year.
Midyear election changes	Only upon a qualifying change in status.	Not relevant; no pretax employee contributions allowed; questionable whether after-tax employee contributions are allowed.	At any time, even under cafeteria plan (change may be prospective only). Cafeteria plans must permit contribution change at least monthly.
Negative elections permitted under cafeteria plan	Yes	Not applicable	Yes
Employer prefunding of account	Occurs by law; employer must make the full amount elected by the employee available as of the first day of the coverage period.	Not required	The employer may prefund the amount of the employee’s pretax contribution elected for the year and recoup the “loan” via payroll deduction. If it does this, it must do the same for all HSA-eligible participants.
Tax treatment of contributions	Not subject to income or FICA/FUTA tax or withholding.	Not subject to income or FICA/FUTA tax or withholding.	Employer and employee pretax contributions are not subject to income or FICA/FUTA tax, federal income tax withholding or federal income tax. Employee after-tax contributions are deducted from gross income, for income tax purposes, on the employee’s federal income tax return.
Tax treatment of excess contributions	Not applicable	Not applicable	Ordinary income tax (and 6% excise tax if not timely disgorged).
Timing of tax on excess contributions	Not applicable	Not applicable	In the year to which contributions relate; earnings on excess are taxed in year paid.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Timing of employer deduction for employer contributions	Deferred until payment made (unless funded through a trust).	Deferred until payment made (unless funded through a trust).	Immediate
FICA/FUTA apply to employer contribution or employee pre-tax contribution (if applicable)	No	No	No (unless at the time of the contribution it's not reasonable to believe the contribution will not be exempt from income tax, e.g., it's an obvious excess contributions).
Trust requirement	No	No	Yes
Earnings on account balance	No	No	Permitted
Distributions			
Claim substantiation requirements	Claim administrator must substantiate validity of claim.	Claim administrator must substantiate validity of claim.	Claim substantiation is not required. The account holder declares the tax-free or taxable nature of withdrawals on Form 8889.
Distributions may be made tax-free for...	<p>Expenses for "medical care" defined in Sec. 213, except premiums for health insurance, long-term care services and over-the-counter drugs other than insulin.</p> <p>Reimbursements may be made for the employee, his or her spouse, dependent children and even non-dependent natural, step, foster and adopted children to the end of the year they attain age 26.</p>	<p>Expenses for "medical care" defined in Sec. 213, including (traditionally) premiums for health insurance and long-term care insurance; no payments for long-term care services, or over-the-counter drugs other than insulin.</p> <p>However, the HRA should not allow reimbursement of premiums that could be paid via salary reduction, as under a cafeteria plan.</p> <p>An HRA may not reimburse premiums for individual health insurance policies, whether purchased on the open market or through an employer-sponsored program offering individual policies, unless the HRA benefits fewer than two active employees (e.g., a retiree-only HRA) or the individual policies provide only excepted benefits, such as dental or vision coverage.</p>	<p>Expenses for "medical care" defined in Sec. 213 (other than over-the-counter drugs except insulin) but not health insurance premiums, except that premiums for the following are reimbursable tax-free:</p> <ul style="list-style-type: none"> ■ Retiree health insurance premiums (but not Medicare supplemental policies) for persons eligible for Medicare. ■ Premiums for COBRA coverage. ■ Premiums for a qualified long-term care insurance contract ■ Health insurance premiums while receiving unemployment compensation. ■ Medicare premiums deducted from Social Security checks.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
		<p>Allowing employees to pay — from an HRA — premiums for the employer’s group major medical coverage raises HIPAA nondiscrimination issues. In addition, an HRA may not make a nontaxable reimbursement for premiums for group coverage under another employer’s plan, where the premiums were paid on a pretax basis (amounts to double-dipping).</p> <p>An HRA should not be used to reimburse Medicare premiums for active employees.</p> <p>Reimbursements may be made for the employee, his or her spouse, dependent children and even nondependent natural, step, foster and adopted children to the end of the year they attain age 26.</p> <p>However, where the employee is enrolled in self-only coverage, the HRA may not (for plan years beginning after 2016) reimburse expenses incurred by dependents, unless the HRA benefits fewer than two active employees or reimburses only excepted benefits, such as dental or vision expenses. In other words, an employee with single medical coverage cannot have family coverage under an HRA reimbursing medical expenses.</p>	<p>Reimbursements may be made for the employee, his or her spouse and Tax Code dependents. The rule that permits an FSA or HRA to reimburse medical expenses for a nontaxable.</p>
Employer may limit distributions to qualifying medical expenses	Yes, tax laws require distributions be limited to “medical care” as defined in Section 213.	Yes; just as with health FSAs, although some premiums may be reimbursed (but see discussion in immediately preceding row regarding prohibition on reimbursements for individual health insurance policies, for most HRAs).	No, the employer may not restrict the HSA holder’s uses of HSA account balance, even with respect to employer contributions.
Distributions permitted for other purposes	No	No	Yes, but subject to income and possibly to excise taxes.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Tax treatment of distributions for non-eligible medical expenses	Not applicable; such distributions may not be made.	Not applicable; such distributions may not be made.	Ordinary income tax and 20% excise tax (excise tax applicability ceases upon death, disability or Medicare eligibility).
Portability of account	No, except for COBRA.	No, except for COBRA.	Yes, HRAs are portable; rollovers are permitted between HSAs and from MSAs to HSAs. One-time rollovers are permitted from IRAs.
Cashouts available	Generally no, although an FSA may make "qualified reservist distributions," a cash out to employees called to active duty in the military.	No	Yes, subject to income and perhaps excise taxes.
Healthcare reform implications			
Constitute "minimum essential coverage"?	Typically no, because the FSA is most often an "excepted benefit."	Generally yes, unless the HRA provides only "excepted benefits," such as dental and/or vision benefits. There is an exception for QSEHRAs. ¹	No
Subject to ACA market reforms (e.g., annual or lifetime dollar limit prohibition)	Typically no, because the FSA is most often an "excepted benefit."	No, for integrated HRAs, HRAs with fewer than two active employees (e.g., retiree-only HRAs) and HRAs offering only excepted benefits. See the discussion of integration on page 3. There is an exception for QSEHRAs. ¹	No
Account balance may be used to purchase individual coverage	No, unless structured as an employer payment plan and the individual coverage is only for excepted benefits, such as dental or vision coverage.	No, unless the HRA is for the benefit of fewer than two active employees, or is used to purchase only excepted benefits, such as dental or vision coverage. There is an exception for QSEHRAs. ¹	Subject to general rules regarding distributions. The issue will be whether the distribution is taxable or nontaxable.
Effect of contributions on ACA "minimum value" determinations	Generally, not taken into account because typically FSA contributions are <i>employee</i> contributions.	New (as opposed to carried over) HRA contributions may be taken into account if they may be used only for reimbursement of cost-sharing under a medical plan integrated with the HRA.	Generally, employer (but not employee pre-tax or post-tax) HSA contributions for the current year may be taken into account.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Effect of contributions on ACA “affordability” determinations	For plan years after 2016 (and for employer flex contribution arrangements adopted after Dec. 16, 2015, or for arrangements under which the amount of the flex credit is substantially increased after that date), flex contributions may be taken into account only if they cannot be converted to or taken as cash or used to purchase benefits other than medical care.	New (as opposed to carried-over) HRA contributions may be taken into account if they may be used only for premiums or for premiums and cost-sharing under the integrated medical plan.	No effect. However, employer flex contributions that may be applied by the employee to medical care <i>or</i> contributed to his or her HSA (or applied to other non-health benefits or taken as cash) may not help make coverage more affordable and may even negatively impact affordability if they can be taken in cash.
Subject to ACA reporting (tax code §§ 6055, 6056)?	No, except in the rare case where the FSA is not an “excepted benefit” (see the discussion below, related to COBRA coverage).	Maybe; where the HRA supplements other minimum essential coverage provided to the employee and maintained by the same plan sponsor or supplements Medicare Part A, reporting is excused. Otherwise, ACA reporting is required. Reporting is also required of dependents’ HRA medical coverage where the employee is enrolled in self-only medical coverage (coverage of dependents in this case is prohibited for plan years after 2016 unless the HRA benefits fewer than two active employees, or provides only excepted benefits). There is an exception for QSEHRAs. ¹	No
Subject to health reform taxes and fees (PCORI and transitional reinsurance)	No, if the FSA is an “excepted benefit” (see discussion below, related to COBRA coverage).	The employer will owe the PCORI fee with respect to the HRA unless the HRA is allied with a self-insured medical plan with the same plan year. Where the tax applies to the HRA, the HRA sponsor owes the fee but only for covered employees and retirees (not dependents). The now expired Transitional Reinsurance Program fee applied to an HRA unless the HRA was “integrated” with medical coverage. See the discussion of HRA “integration” on page 4.	No

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Coverage disqualifies the individual from subsidies in a health insurance marketplace	Typically no, because the FSA is most often an excepted benefit for ACA purposes and thus not considered minimum essential coverage.	Yes, unless structured as an excepted benefit or QSEHRA. ¹	No
Miscellaneous			
Employer obligations	Employers must administer the plan and ensure reimbursements are for qualifying medical expenses. There may also be some reporting and disclosure obligations under ERISA.	Employers must administer the plan and ensure reimbursements are for qualifying medical expenses. There may also be some reporting and disclosure obligations under ERISA and the ACA. Special notice and disclosure rules apply to QSEHRAs. ¹	If the employer makes contributions or permits pretax contributions, the employer must know the employee's age and know whether the employee is eligible for HSA contributions (and the maximum contribution) at least by looking solely at the employee's enrollment under the employer's plans (i.e., the employer is not responsible for investigating whether coverage elsewhere makes the employee ineligible to make and receive HSA contributions). The employer must limit the employee's pretax and employer contributions to the employee's apparent maximum contribution.
Effect of employee's death	Account balance lost, except for COBRA.	Account balance lost, except for COBRA.	Account passes to surviving spouse or as taxable income to other beneficiary.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
Nondiscrimination testing	Under Sec. 105(h) and Sec. 125.	Under IRS Notice 2002-45; Rev. Rul. 2002-41; Sec. 105(h). Special rules apply to QSEHRAs. ¹	Employer contributions must be comparable for comparable employees (but see the exception below). The term “comparable employees” means employees eligible for an HSA, with the same category of coverage and employment status (full time, part time, former employee, etc.). “Comparable contribution” means the same amount or same percentage of deductible. The “comparability” rules do not apply if employees may make pretax contributions through a cafeteria plan.
COBRA	Applies, but rights are limited where the FSA is an excepted benefit (i.e., FSA is made available only to individuals who are also eligible for other health coverage through the employer, and benefits are limited to twice the amount of the employee’s contribution or, if greater, the employee’s contribution plus \$500), and there is no carryover provision.	Applies, except for QSEHRAs. ¹	Not applicable unless the HSA is an ERISA plan (very rare); probably no qualifying events due to portability of HSAs.
HIPAA non-discrimination and portability	HIPPA non-discrimination and portability rules do not apply if the FSA is an “excepted benefit” (see above).	HIPPA non-discrimination and portability rules apply (though potentially not for QSEHRAs ¹) although they should not pose difficult administrative problems.	Do not apply.
HIPAA privacy and security	Apply unless fewer than 50 participants and the FSA is self-administered.	Apply, though potentially not for QSEHRAs. ¹	Do not apply.

	Flexible Spending Accounts (FSAs) 	Healthcare Reimbursement Arrangements (HRAs) 	Health Savings Accounts (HSAs) 
ERISA coverage	Yes, as a welfare benefit plan (if the employer is subject to ERISA).	Yes, as a welfare benefit plan (if the employer is subject to ERISA).	ERISA coverage applies if the employer “endorses” the program; employer contributions alone are generally not “endorsement.” It’s very rare for ERISA to apply to an HSA program. However, employers must forward employee payroll deduction contributions to the employees’ HSAs promptly, in accordance with ERISA rules.
Reporting obligation (non-ACA reporting)	<p>Contributions reported on W-2 (nontaxable entry) in the rare case where the sum of employer and employee contributions to the FSA exceeds the employee’s entire salary reduction contributions under the cafeteria plan. Report excess in Box 12, code “DD.”</p> <p>Form 5500 if there are 100+ participants at beginning of the year or benefits are funded through trust (if the employer is subject to ERISA); Possible W-2 reporting obligation.</p>	<p>Generally none (no W-2 reporting), except special rules apply to QSEHRAs.¹</p> <p>Form 5500 if there are 100+ participants at beginning of the year or benefits are funded through trust (if the employer is subject to ERISA).</p>	<p>Employer contributions are shown on W-2 in Box 12, with code “W.” Both employer and employee pretax contributions are treated as “employer contributions” for W-2 reporting purposes. Reporting is for informational purposes only.</p> <p>Employers must report employer and employee pretax contributions on Form W-2, in Box 12, using Code W.</p>
Medicare part D creditable coverage and notices	Not creditable coverage; no notice required.	Might be creditable coverage; notice might be required but likely not for periods after 2014.	Not creditable coverage; no notice required.
Required to supply covered employee, retiree and dependent SSNs to Medicare	No	Maybe; it’s the employer’s obligation if the employer self-administers the HRA.	No

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