

HSAs *vs* FSAs

UNDERSTANDING THE DIFFERENCES AND THE ADVANTAGES

Health Savings Accounts (HSA) and Flexible Spending Accounts (FSA) can be confusing. This chart provides *a quick and easy comparison* of the different types of tax-advantaged healthcare accounts.

	Health Savings Account	Healthcare FSA & Limited Purpose FSA	Dependent Care FSA
Advantages, Differences, and Eligibility	**(HSA):** Tax-advantaged savings for healthcare now and retirement. *You **must** be enrolled in a High Deductible Health Plan (HDHP).*	**Healthcare FSA (HCFSA):** A full-purpose FSA that's best for predictable medical, dental, or vision expenses. **Limited Purpose FSA (LPFSA):** Can be used for dental and vision only. *If you are enrolled in a HDHP, you can only enroll in a Limited Purpose FSA.*	**Dependent Care FSA (DCFSA):** This account covers child or dependent care needed, so you (and your spouse, if applicable) can work.
2027 Maximum *Annual Contributions*	Single: **$4,500** Family: **$9,000** *Catch-up: $1,000 (age 55+)*	***$3,400****	***$7,500**** *($3,750* for married couple filing separately)*
Pre-Tax Contributions?	**Yes**	**Yes**	**Yes**
Availability Of Funds	Funds must accumulate before using.	Available on day 1	Funds must accumulate before using
Use it or *lose it?*	**No**, unused funds roll over from year to year.	**Yes**, however, a small amount may roll over into the next year. Or, a grace period may apply.	**Yes,** however, a grace period may apply.
Changing Employment	You own this account, so you can take the funds with you, if you leave.	You will **NOT** be able to take the funds with you, if you leave the company.	You will **NOT** be able to take the funds with you, if you leave the company.

Eligible Expenses Beyond Your Plan Coverage

Scan the appropriate QR code to download full lists and descriptions of expenses that qualify at IRS.gov.

**FSA annual contribution limits for 2027 are pending. Expected in October or November 2026.*

For HSAs, Healthcare and Limited Purpose FSAs
IRS - Publication 502

For information on Child and Dependent Care Expenses
IRS - Publication 503

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