

Elements	Lifestyle Spending Account (LSA)	Health Reimbursement Arrangements (HRA)	Flexible Spending Accounts (FSA)
Eligible individuals	All Employees. Employers have the flexibility as to who this is offered to.	In order to comply with ACA Market Reform Rules, HRA plan must meet the “integrated” status requirements, those enrolled in your group health plan.	In order to comply with ACA Market Reform Rules, eligibility should be limited to those employees eligible for the employer’s group health plan.
EMPLOYER Maximum annual contributions	Employer determined	Employer determined	Recommended not over \$500
Distributions	Employer determined	Tax-exempt benefits to employees, spouses, tax dependents, or adult children (26 or younger), regardless of if tax dependent	Tax-exempt benefits for employee, spouse, tax dependent, or adult children (26 or younger), regardless of if tax dependent
Income taxes – employee	Employer contributions – taxable benefit for employee	N/A (employer contributions only)	Pre-tax payroll deductions.
Funding/trust required	Not required (self-administered or TPA)	Not required (self-administered or TPA)	Not required (self-administered or TPA)
Fund or account ownership	Employer	Employer – reverts back to employer if not used	Employer
Rollover of unused funds at year end	Yes – Employer defines	Employer’s option	Yes – employer’s option up to \$500 limit. Alternatively, may provide limited grace period
Withdrawals for non-qualified medical expenses	Yes - subject to income tax Some examples are: Wellness Related expenses , Fitness equipment, educational expenses, home office, pet care and financial services. Employer defines eligible expenses	No	No
Use to pay for insurance premiums	Cannot use to pay health insurance premiums	Can be used on any qualified medical expenses, including health premiums in retirement.	Cannot use to pay health insurance premiums
Estimated Fees	\$250 Set up Charge / \$1.50 pepm	\$2.75 pepm – this can change to employee if set up as a rollover arrangement and employee leaves.	\$2.75 pepm