

# Wespath

## Make the Most of Your Money: Health Accounts Explained



### Health Savings Account (HSA)



### Health Reimbursement Arrangement (HRA)



### Health Flexible Spending Account (FSA)



# HealthFlex Health Savings Account (HSA)

## Who is eligible?

- HSA plan enrollment; must be actively working to contribute pre-tax
- Not enrolled in any other plan that isn't a qualified High-Deductible Health Plan (HDHP)

## Why should you use it?

- Tax-advantaged money for health expenses in current or next few years
- Top strategic savings tool for healthcare in retirement

## Key features

- 2026 contribution limit: \$4,400 (self-only); \$8,750 (family)
- Employer money (H2000 and H2500, excess credit) AND your money
- No rollover limit
- Portable—take into retirement or if you leave HealthFlex
- Triple tax advantage



# Getting the Most Value from Your HSA



- Good strategy for saving money, but only if you use it
- Total contribution (your + employer's money) is **at least** what you are spending in out-of-pocket costs
  - You're already spending—use the tax advantage!
  - Can change your contribution mid-year
  - Put most medical bills on payment plan
- Try to contribute a bit more than you will need each year
  - **Goal:** roll over some \$ each year to build a true savings balance
  - Once balance is >\$1000, consider investing
- If in a Wespath retirement plan, talk to EY to develop a plan!

# HealthFlex Health Reimbursement Arrangement (HRA)

## Who is eligible?

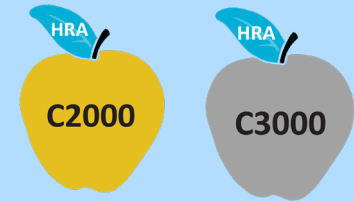
- C2000 or C3000 plan only

## Why should you use it?

- Not eligible to contribute to HSA
- Enrolled in Medicare or will be soon
- Offset out-of-pocket expenses or save for health expenses in retirement

## Key features

- No contribution limit
- Only employer money (included in plan, possible excess credit)
- No rollover limit
- Forfeited if you leave HealthFlex other than for retirement (as defined by HealthFlex)
- If retired: can only use for yourself, not dependents



# HealthFlex Health Flexible Spending Account (FSA)



## Who is eligible?

- Enrolled in HealthFlex; must be actively working
- Caution if you are contributing to an HSA! ⚠️

## Why should you use it?

- Not eligible to contribute to HSA
- Contributed maximum to HSA and still have more expenses or dental/vision expenses, specifically

## Key features

- 2026 contribution limit: \$300 minimum—\$3,400 maximum
- Can only carry over \$680
- If you leave HealthFlex for any reason, you only have 90 days to spend on expenses incurred prior to last date covered
- Only your money
- If contributing to HSA, limited to dental and vision only

# Getting the Most Value from Your FSA



- FSAs are “use it or lose it;” ensure you’ll use all but what you can roll over to next year (can only roll over one year)
- If you contribute to an HSA, your health FSA must be HSA-compatible:
  - **Limited-purpose FSA:** limited to dental and vision expenses only; or
  - **Post-deductible FSA:** covers medical and pharmacy expenses only after you’ve met IRS minimum HDHP deductible (\$1,700 for self-only and \$3,400 for family in 2026); report to HealthEquity

# Health Accounts in a Nutshell

## Health Savings Account (HSA)



- Best tax advantage
- Best potential for long term savings and growth
- Always yours
- Ensure you're eligible
- Use it!

## Health Reimbursement Arrangement (HRA)



- Good option for employer contributions if not eligible for HSA
- Can carry into retirement but lose if you leave before retirement

## Health Flexible Spending Account (FSA)



- Good option for personal contributions if not eligible for HSA
- Caution pairing with HSA
- Use it or lose it each year except a small rollover

# Questions?

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