Health Savings Accounts (HSA)

Health Savings Account (HSA)

A Health Savings Account (HSA) is available to employees enrolled in the Health Savings Plan and allows you to save and grow savings tax-free for medical expenses.

The HSA is administered through ConnectYourCare, where you can manage your account and submit claims online here.

> To be eligible for the HSA, you must be enrolled in the Health Savings Plan.

Here's how the Health Savings Account works:

- Once enrolled in the Health Savings Plan, you will be eligible to open a Health Savings Account.
- You'll receive a debit card to pay for eligible healthcare expenses.
- You can contribute pre-tax dollars directly from your paycheck.
- Funds roll over each year — your HSA money is yours to keep, even if you change jobs or retire.

How much can I contribute to my HSA?

2026 IRS Maximum Contribution Limits

- Individual Coverage: Up to $4,400
- Family Coverage: Up to $8,750
- Age 55 or older: Additional $1,000 "catch-up" contribution

How is an HSA different from an FSA?

- FSAs and HSAs both offer tax benefits and have annual contribution limits.
- Funds in an HSA roll over year to year. There is no "use it or lose it" rule.
- FSAs are "use it or lose it." That means you'll lose any funds you don't spend by the end of the grace period.
- You can use your FSA to cover eligible healthcare costs at the start of the year. The entire amount is available on day one.
- With the HSA, you cannot spend more than the funds deposited in your HSA. However, you can save receipts for qualified medical expenses and file for reimbursement after your

balance has grown.
- You can't contribute to an HSA and an FSA in the same year.

Do I have to contribute to my HSA?

No. You are not required to contribute to the HSA.

Does Arkansas State University contribute to my HSA?

ASU System will contribute $500 for employee coverage or $1,000 for family coverage if you are enrolled in the Health Savings Plan with Health Savings Account. Half of these health plan contributions will be deposited into the HSA in mid-January and half will be deposited in mid-August. Contributions for employees hired Jan. 1 – July 31, will be $250 for individuals and $500 for families. Employees hired Aug. 1 – Dec. 31 will not receive a contribution.

What happens to the money in my HSA if I leave Arkansas State University?

If you leave Arkansas State University, you won't lose your HSA. Your HSA and its funds, including the funds your employer contributed, are owned by you.

Can I contribute to an HSA and also enroll in the healthcare Flexible Spending Account?

No. You're eligible to contribute to an HSA only if you are enrolled in the Health Savings Plan. If you are enrolled in the Classic or Premier Plan, you are eligible to contribute to the healthcare FSA.

Can I use the money in my HSA for eligible dependents even if they are not covered by my insurance Plan?

Yes, you may use the money in your HSA to pay your spouse's or other eligible dependent's eligible expenses.

> Additional information regarding Health Savings Accounts (HSA) is available through the ASU System Benefits Page.

Revision #8
Created 2025-05-19 17:45:25 UTC by Kristin Helms
Updated 2026-10-27 15:06:10 UTC by Kristin Carson