

Compare Alternative Funding Solutions for Yourself

	HEALTH SAVINGS ACCOUNT (HSA)	HEALTH REIMBURSEMENT ARRANGEMENT (HRA)	FLEXIBLE SPENDING ACCOUNT (FSA)
ENACTING LAW/IRS CODE	Enacting Law: Medicare Modernization Act of 2003	IRS Code: Section 105	IRS Code: Section 125
WHO OWNS THE ACCOUNT?	Eligible employee	Employer	Eligible Employee
WHO FUNDS THE ACCOUNT?	Eligible employee, employer and/or other individuals on behalf of eligible employee	Employer	Eligible employee or employers
HOW IS THE ACCOUNT FUNDED?	Deposited directly into account	"Zero-balance account." This is not a true account but an agreement or "IOU" by an employer to pay a portion of qualified medical expenses.	Via payroll deduction; claims are generally paid as they are submitted by employee.
IS THERE A MAXIMUM CONTRIBUTION PER YEAR?	Individual limit increases from \$3,000 in 2009 to \$3,050 in 2010. Family limit increases from \$5,950 in 2009 to \$6,150 in 2010.	No statutory limit. Simply an arrangement where employer pays medical expenses.	No statutory limit. Employers generally set annual plan limit.
IS IT A PERSONAL ACCOUNT?	Yes	Yes	Yes
DOES IT ACCRUE INTEREST?	Yes, tax free	No	No
WHAT TYPE OF HEALTH PLAN IS REQUIRED, IF ANY?	The minimum deductible for individual is \$1,150 in 2009 and \$1,200 in 2010. The minimum for family coverage is \$2,300 in 2009 and \$2,400 in 2010. The maximum annual out-of-pocket amount for individual coverage is \$5,800 in 2009 and \$5,950 in 2010 and family coverage is \$11,600 in 2009 and \$11,900 in 2010.	No requirements	No requirements
CAN FUNDS BE USED TO PAY FOR NON-QUALIFIED EXPENSES?	No. Funds used for non-medical expenses are taxed and/or penalized —Qualified expenses include more than medical.	Funds may not be used for non-qualified medical expenses.	No. Funds used for non-medical expenses are taxed and/or penalized.
WHAT IS THE TAX TREATMENT?	Contributions are 100% tax deductible. Funds spent on medical expenses are tax free for life. At 65, funds used to supplement income are tax-deferred.	Funds used to pay for health expenses are not reported as income.	Contributions are 100% tax deductible; funds spent on health expenses are tax-free (no rollover).
IS THERE A "CATCH UP" PROVISION?	\$1,000 can be contributed and rollovers will be permitted.	No	No
ADVANTAGES	<ul style="list-style-type: none"> Affordability—lower health insurance premiums Raises employee awareness of the costs of health care services Tax advantages for employer and employees; account dollars and interest are 100% tax-free when used for eligible medical expenses Portable—employees own the account Savings/Growth Opportunity—gives employees their own account to pay for long-term health care costs, grows over time 	<ul style="list-style-type: none"> Reduced insurance premiums to help stabilize annual increases Gradually raises employee awareness of the cost of health care services Tax-advantaged employer-funded accounts help pay for day-to-day expenses Allows 'employer pay first' or 'employee pay first' plan designs Competitive administration rates 	<ul style="list-style-type: none"> Reduces taxable payroll by reducing your employees' taxable income and reduced employer payroll taxes Employees increase take-home pay Start a Premium Only Plan (POP) at any time during the year First-year tax savings are generally greater than the cost of plan implementation Competitive administration rates
COSE OFFERINGS	<p>Six Plan Choices:</p> <ul style="list-style-type: none"> COSE HSA SuperMed Plus 1500 COSE SuperMed Plus 2000/4000 COSE HSA SuperMed Plus 2500/100 COSE HSA SuperMed Plus 3000/100 COSE HSA SuperMed Plus 4000/100 COSE HSA SuperMed Plus 5000/100 <p>—All have 100% preventive care coverage, not subject to deductible. All utilize the SuperMed Plus network of providers.</p>	<ul style="list-style-type: none"> COSE HRA SuperMed Plus 1000/3000 COSE HRA SuperMed Plus 2000/6000 COSE HRA SuperMed Plus 2500/5000 COSE HRA SuperMed Plus 3000/9000 <p>—All have 100% preventive care coverage, not subject to deductible. All utilize the SuperMed Plus network of providers.</p>	<ul style="list-style-type: none"> Premium Only Plan (POP) Flexible Spending Accounts Daycare (Child and Elder) Accounts Adoption Assistance Accounts Commuter Benefits Accounts
COSE SERVICES PROVIDED BY:	HSA compatible insurance plans offered through Medical Mutual of Ohio; HSA accounts held by financial institution of employee's choice	Medical Mutual of Ohio	FlexSave provide by Medical Mutual of Ohio

The information presented is related to the 2009-2010 calendar year.