

WTNS Radio OSU Extension Update for April 3, 2023
Healthy People. Healthy Finances. Healthy Relationships.

On today's OSU Extension update for Healthy People, Healthy Finances, & Healthy Relationships we'll talk about health insurance and spending accounts, and as always look at some upcoming programs from OSU Extension.

When it comes to making wise choices about health insurance, the process can be a bit confusing and sometimes overwhelming. One important reason is not understanding the vocabulary that is used. University of Delaware Extension and University of Maryland Extension have teamed up to create resources for consumers to better understand how to make health insurance decisions.

Their effort is called "Smart Choice" Health Insurance programs and resources. I encourage you to visit go.osu.edu/smartchoicehealthinsurance to check out these health insurance literacy resources.

One resource that is helpful is "Saving for Health & Medical Expenses: Health Flexible Spending Accounts and Health Savings Accounts." This fact sheet explains the similarities and differences between two common types of savings accounts.

Both of these accounts help you save for out-of-pocket expenses each pay period by allowing you to set aside pre-tax dollars, or money before taxes are deducted. By putting this money aside pre-tax, you pay no Federal, FICA or State taxes on the amount deducted from your paycheck that funds your FSA or HSA.

A Health Flexible Spending Account (or Health FSA) is one kind of account using pre-tax dollars. You can be reimbursed for qualified medical expenses. Health FSAs may be part of your employer's benefits plan package, but not all employers offer this. You cannot open one as an individual consumer. The IRS sets new limits each year so you'll need to check guidelines annually. For 2023 the limit is \$3,050 per year per employer.

There are two ways the IRS allows unspent money to be used. It is important to note that your employer decides how to manage unspent money by the end of the year. You can be given more time to use the money in your Health FSA account or you may be able to carry over a small amount into the next year. Your employer can offer one but not both options and is not required to offer either option. That means you may lose any money left over in your Health FSA.

Therefore, it is important to plan carefully and not put more money in your Health FSA than you think you will spend within a year.

A Health Savings Account (HSA) is a medical savings account available to you if you have a HSA-qualified, high-deductible health insurance plan (HDHP). The best way to figure if your plan qualifies is to ask your benefits office or insurance provider. If the plan is HDHP, you can open an HSA. Similar to the FSA, this account allows you to save pre-tax dollars for qualified medical expenses. Contributions can be made by you and/or your employer, but you are the account owner.

Two key advantages to HSAs are you can build savings to help pay for future health care costs and earn interest on your contributions. The IRS limits the amount you can save each year. One big difference from the FSA is that any money in the HSA that you don't spend carries over year to year.

And now let's look at some upcoming programs from OSU Extension.

I will be teaching a program about Avoiding Scams on April 19 at 11:30 AM at the Coshocton Senior Center. Please contact the Coshocton Senior Center to register at 740-622-4852.

OSU Extension will also be offering the ServSafe® Manager Food Safety Training course on Thursdays, June 8, 15, and 22 from 9:00 a.m. until 4:00 p.m., with the proctored exam Thursday, June 29. The training meets Ohio Department of Health Manager Certification in Food Protection requirements by providing in-depth food safety and safe food handling education for owners, managers, and operators within the food service industry. Look for registration details on our website, Coshocton.osu.edu.

In closing, at OSU Extension, we are proud to work for Coshocton County to help educate and improve our families, farms, and businesses. Please feel free to contact OSU Extension for more information at 740-622-2265 or visit our website at coshocton.osu.edu. Make it a healthy day!