

The Family and Retirement Health Investment Act of 2011

United States Senator Orrin Hatch & Congressman Erik Paulsen

This bill simplifies and enhances Health Savings Accounts (HSAs) and Health Flexible Spending Accounts (FSAs) by addressing some of the questions and concerns that have been raised since HSAs were first enacted in 2003, but were not addressed by the HOPE Act of 2006.

Catch-up Contributions

Allows the spouse of an HSA account holder to double their catch-up contribution to account for their eligible spouse.

Contributions for Medicare Part A eligible

Allows seniors enrolled in Medicare Part A only to continue contributing to their HSAs.

FSA Rollover

Permits up to \$500 of unspent FSA funds to carry forward to the following year.

Transition to HSAs

To ease transition to HSAs, clarifies current law to provide employers greater opportunity to roll-over funds from employees' FSAs or HRAs to HSAs.

Removes OTC Restrictions

Repeals restrictions on use of HSA/FSA/HRA dollars for the purchase of over-the-counter medications without a prescription.

Purchase of Health Insurance from HSA

Allows purchase of COBRA coverage, long-term care insurance, and HSA-qualified policies from an HSA.

Medicaid Health Opportunity Accounts

Provides states with the flexibility to create Health Opportunity Accounts for their Medicaid population.

Lifts Limits on Deductibles for Employer-Sponsored Plans in the Small Group Market

Repeals the recently enacted deductible limits of \$2,000 for single coverage and \$4,000 for family coverage for plans sold to small employers.

Expanded Definition of Qualified Medical Expenses

Modifies the definition of "qualified medical expenses" to promote wellness, and encourage exercise and better diet, by allowing HSA and FSA dollars to be used for gym memberships and meal replacement products.