

LPFSA + HSA

Paired Accounts for Maximum Savings

Considering a Limited Purpose Flexible Spending Account (LPFSA) but not sure how it works with a Health Savings Account (HSA)? It's not as confusing as it might seem. **Here's what you need to know to get the most out of your healthcare accounts.**

The LPFSA and the HSA uniquely complement each other because one is a **short-term spending account** and the other is a **long-term saving account**. By enrolling in both simultaneously, you have the opportunity to maximize HSA contributions while reducing out-of-pocket expenses by paying with LPFSA funds. No other healthcare accounts can be paired like this.



Vision & Dental

LPFSAs are a specific type of FSA that can be used to pay for eligible vision and dental expenses with pre-tax dollars. Check the full list at livelyme.com/whats-eligible.



HSA-Compatible

While you can have an LPFSA without also having an HSA, the LPFSA is specifically designed to pair with an HSA so you can save and spend tax-free in parallel.



FSA Rules Apply

Like Medical FSAs, LPFSAs are employer-owned accounts and funds expire at the end of the plan year. Funds are elected annually and available on day 1 of the plan.



Converts to FSA

Once the health plan deductible has been met, the LPFSA converts to a Medical FSA and can be used for other eligible expenses in addition to vision and dental.*

Pro tips for the savvy account holder:

- Enroll in an LPFSA only if you plan to contribute the annual maximum to your HSA in the same tax year.
- Pay for eligible vision and dental expenses with LPFSA funds first so you can save and grow your HSA funds.
- Estimate your vision and dental expenses and set your election amount accordingly so you are not left with forfeited dollars.
- Reach out to [Lively Support](#) or visit livelyme.com/blog to learn more about using your healthcare accounts.

The content presented in this document are for informational purposes only, and is not, and must not be considered investment, legal, accounting, or financial planning advice, nor a recommendation as to a specific course of action. *May vary by employer. Refer to your plan documents for comprehensive details.

