CARROT

Carrot and your health plan

Due to healthcare regulations, your Carrot benefit may have a deductible based on the health plan option you choose and the type of care received.

When does the Carrot deductible apply?

Carrot functions as a health reimbursement arrangement (HRA) when you seek reimbursement for qualified medical expenses (QMEs). Due to Internal Revenue Code requirements, if you choose a high deductible health plan (HDHP) — a plan with a deductible of at least $1,750 (individual) or $3,500 (family) for calendar year 2027 — with a health savings account (HSA), QMEs will be subject to a minimum deductible that must be met before your Carrot benefit covers care. This deductible is required to preserve your HSA eligibility. For reimbursements that aren't considered qualified medical expenses, the Carrot deductible doesn't apply. No other health plan designs carry a Carrot deductible and can ignore the rest of this page.

What is a Carrot deductible?

For QMEs, you'll need to meet an annual deductible separate from your health plan's deductible before Carrot covers care. It is $1,750 for individuals and $3,500 for families.

What is a qualified medical expense (QME)?

In the U.S., qualified medical expenses (QMEs) are specific medical costs that fall within the Internal Revenue Code section 213(d) definition of medical expenses. In many cases, reimbursement for QMEs is tax advantaged. For full details on which expenses are considered QMEs, we recommend visiting your benefit guide.

What happens when I meet my deductible?

Once you have met the IRS minimum annual deductible for an individual or family HDHP, Carrot will reimburse you for subsequent eligible expenses according to your plan.

Will qualified medical expenses I incur before meeting my health plan deductible count towards my Carrot deductible?

Yes. Progress made towards satisfying your health plan deductible will automatically be applied to your annual Carrot deductible. When you register for your Carrot account, you will be able to provide your medical plan information in order to sync your medical plan deductible progress.

Can HSA funds be used towards my Carrot deductible?

Yes, HSA funds can be used to pay for care counting towards your Carrot deductible. However, HSA funds cannot be used to pay for expenses you later submit to Carrot for reimbursement after your deductible has been met.

For which combinations of health plan and care does my Carrot deductible apply?

Type of care	HDHP with HSA	Other plans
Qualifying medical expense	Minimum of $1,750 deductible for individuals and $3,500 deductible for families	No deductible
Other expenses	No deductible	No deductible

