

WHAT YOU NEED TO KNOW ABOUT THE FSA



Did you know? Our organization provides you with the opportunity to participate in a flexible spending account (FSA). The FSA is a type of savings account—much like a bank account—that you can use to pay for qualified out-of-pocket expenses using pre-tax dollars.

YOU MAY PARTICIPATE IN UP TO TWO DIFFERENT FSA OPTIONS:

	Health Care FSA	Limited-Purpose FSA	Dependent Care FSA
Am I eligible?	You must be benefits eligible and not be enrolled in a qualified high-deductible health plan.	You must be benefits eligible and enrolled in a qualified high-deductible health plan.	You must be benefits eligible.
What can I use funds for?	Qualified medical, prescription drug, dental and vision expenses such as deductibles, copays, prescriptions and eyeglasses.	Qualified dental and vision expenses, such as deductibles, copays, prescriptions and eyeglasses. No “double dipping” is allowed. You cannot use funds from both an HSA and a limited-purpose health care FSA to cover the same eligible expense.	Qualified dependent care expenses, such as care of a dependent child under the age of 13 (e.g., babysitters, nursery schools, pre-school and daycare) or care of household members who are physically or mentally incapable of caring for themselves and qualify as federal tax dependents.
How much can I contribute per year?	\$2,650	\$2,650	\$5,000 for families (\$2,500 if married and you and your spouse file separate tax returns)

HOW THE FSA WORKS

1. You contribute to the FSA via convenient, pre-tax payroll deductions. Because that portion of your income is not taxed, you pay less in federal income, Social Security and Medicare taxes. Bottom line: Your take-home pay is bigger!
2. You can use an FSA debit card at the point of purchase to pay for a qualified expense. Funds are taken directly from your account. Or, you may opt to pay out of your own pocket and submit a claim for reimbursement later.
3. Unused Health Care and Limited-Purpose FSA funds of up to \$500 can carry over from one plan year to the next and may be used for expenses you incur in the following plan year. **Any funds above that will be forfeited if not used by the end of the plan year or plan year grace period. Unused Dependent Care FSA funds do not carry over.**

IMPORTANT NOTES

- You must enroll each year to participate (even if you are currently enrolled)
- For a complete list of eligible health care expenses, visit: www.irs.gov/pub/irs-pdf/p502.pdf
- For a complete list of eligible dependent care expenses, visit: www.irs.gov/pub/irs-pdf/p503.pdf