

## FLEXIBLE SPENDING ACCOUNTS

You have the opportunity to pay for out-of-pocket Medical, Dental, Vision, and/or Dependent Care expenses with pre-tax dollars through the Flexible Spending Account (FSA). Contributions to your FSA come out of your paycheck before any taxes are taken out. This means that you don't pay federal income or FICA taxes on the portion of your paycheck you contribute to your FSA.

**Important Note: If you will be funding an HSA, you cannot participate in the Health Care FSA.**

- ◆ **Plan Year: January 1, 2024 - December 31, 2024**
- ◆ **Health Care Contribution Limit: \$3,200 | Dependent Care Contribution Limit: \$5,000**

A **Health Care FSA** is used to reimburse out-of-pocket health care expenses incurred by you, your spouse and/or your children; whether you cover them or not. Eligible expenses include deductibles, coinsurance, copays for medical, dental, and vision. Your Health Care contribution is pre-loaded to a debit card; you have immediate access to the funds and will pay them back throughout the year via payroll deduction.

A **Dependent Care FSA** lets you use pre-tax dollars towards qualified dependent care. A dependent care FSA can pay for the care of dependent children under age 13 by a babysitter, day care center, or before-school or after school program. Care for a disabled spouse, parent or child is also eligible if the individual lives with the employee and cannot care for himself or herself. Care must be provided to keep the employee and spouse gainfully employed and must be given during normal working hours (for example, babysitting on a weekend for recreational time is not allowed).

**Dependent care expenses cannot be reimbursed until they are actually incurred.**

**FSA contribution elections cannot be changed outside of open enrollment unless there is a qualifying event. The list of acceptable qualifying events is more restrictive than other benefit plan election changes, so you will want to make an informed decision when deciding on how much to elect for the new plan year!**

### **IMPORTANT INFORMATION - USE IT OR LOSE IT!**

- ◆ The Healthcare FSA features a carryover allowance of up to **\$640**. Unused balances up to **\$640** will automatically carryover to the following plan year. **However, any funds exceeding \$640 left in the Healthcare FSA account at the end of the year (12/31/2024) will be forfeited.**
- ◆ The Dependent Care FSA does not have the carryover feature, so any unused amount remaining in the Dependent Care at the end of the plan year will be forfeited.
- ◆ The Dependent Care FSA **does** feature a grace period, so you will have additional time to **incur** claims. With the grace period, you can continue to incur claims until **03/15/2025**.
- ◆ Both the Health FSA and the Dependent Care FSA allow you some extra time to submit claims that were incurred between 01/01/2024 and 12/31/2024. You will have until 3/31/2025 to submit claims for reimbursement.
- ◆ Approximately 30 days after the "run-out period" has ended (end of April), any remaining Healthcare FSA funds that you are able to carry into the new year (**up to \$640**) will be credited to your account to be used in the 2025 plan year.