

# FSA Contribution Limits & IRS Regulations

The IRS sets the maximum dollar amount you can elect and contribute to a Flexible Spending Account (FSA).

The annual contribution limit is - **\$3,050**

We recommend reviewing how much you spend on eligible healthcare expenses every year to determine how much to elect.

## FSA IRS REGULATIONS

### Funds on Day 1

All of your FSA dollars are available on the very first day of the plan year. For example, if you choose to contribute \$1,200 to your FSA, your contributions will be deducted evenly across all of your paychecks for the year, but you have access to all \$1,200 on Day 1! You can use your funds for expenses incurred by you, your spouse, or eligible dependents.

### Changing your FSA election

In order to make changes to your election after open enrollment, you need to experience a qualifying life event. These events include:



Change in marital status

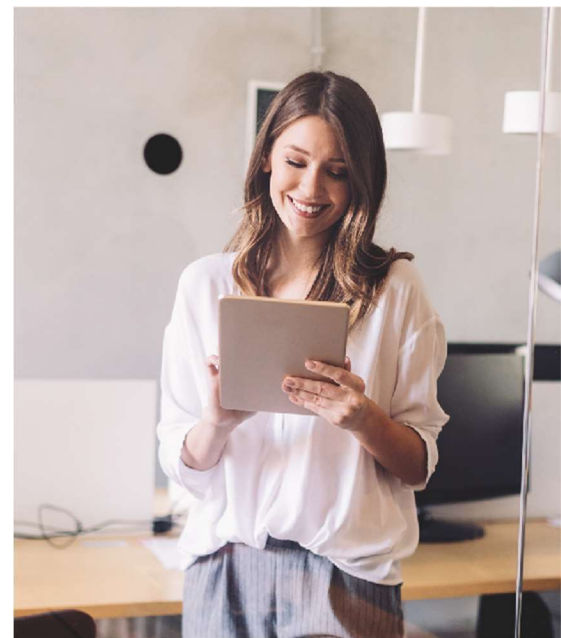


Change in the number of dependents



Change in employment status

If you experience a qualifying life event, your employer can help you make changes to your election.



### Use-or-lose

Don't forget to spend your FSA dollars. You will forfeit any money left in your account at the end of the plan year. Check with your employer to confirm how many days you have to submit claims for reimbursement after the plan year ends.

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# Medical Flexible Spending Account

## Why should I choose a Medical Flexible Spending Account (FSA)?

A Medical FSA is a benefit that allows you to choose how much of your paycheck you'd like to set aside, before taxes are taken out, for healthcare expenses. This saves you money by reducing your taxable income.

## Funds on Day 1

Schedule that surgery, buy those eyeglasses or finally get those braces. All of your FSA funds are available to spend right away. Use your benefits debit card at the point of purchase.

## Discount

Think of it like a discount on healthcare expenses at stores such as Amazon, Target, CVS, Walmart, Walgreens and more. Dollars you contribute are taken out of your paycheck before tax which means a \$100 purchase would actually cost you over \$130 without a Medical FSA\*.

## Plan ahead

Think about the money you spent on healthcare expenses last year. Plan ahead and set those funds aside in a Medical FSA and save 30%\*.

*\* Based on a 30% tax bracket*

## What does it cover?

There are thousands of eligible items, including:

- Copays and coinsurance
- Doctor visits and surgeries
- Over-the-counter medications (first-aid, allergy, asthma, cold/flu, heartburn, etc.)
- Prescription drugs
- Birthing and Lamaze classes
- Dental and orthodontia
- Frames, contacts, prescription sunglasses, etc.

## Can I enroll?

Yes, as long as you or your spouse aren't actively enrolled and contributing to a Health Savings Account (HSA).



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# Dependent Care Flexible Spending Account

## Why should I choose a Dependent Care Flexible Spending Account (FSA)?

A Dependent Care FSA is a benefit that allows you to choose how much of your paycheck you'd like to set aside, before taxes are taken out, for eligible dependent care expenses each year. The Dependent Care FSA lets you pay for eligible dependent care expenses while you reap the benefits of additional tax savings. You're spending the money either way. This way, eligible childcare and other dependent care costs are a little less. \*

\*Based on a 30% tax bracket.

The 2023 annual contribution limit is:

Per household - **\$5,000**, per person (if married or filing separately) - **\$2,500**

**Funds available as you contribute.** Funds will be available to you as they're deducted from your paycheck and contributed to the plan. This means when payroll is processed and your paycheck is available to you, your Dependent Care FSA contributions will be applied to your account and available for reimbursement.

**Use-or-lose.** Don't forget to spend your FSA dollars. If you have not used all of your FSA dollars before the end of the plan year, you will forfeit any money left in your account. Check with your employer to confirm how many days you have to submit claims for reimbursement after the plan year ends.

**Changing your Dependent Care FSA election.** In order to make changes to your election after open enrollment, you need to experience a qualifying life event, such as:

- Change in marital status
- Change in the number of dependents  
Increase due to birth, adoption, or marriage
- Decrease due to death, divorce, or loss of eligibility
- Gain or loss of eligibility due to a change in participant, spouse or dependent employment status
- Change in daycare providers
- Child turning age 13
- Increase or decrease in the cost of qualifying daycare expenses
- Judgement, decree, or order requiring a change in coverage

If you experience a qualifying life event, contact your employer to make changes to your election.

## Can I enroll?

You are eligible if you and/or your spouse (if applicable) are gainfully employed, looking for work, or are attending school on a full-time basis.

## What does it cover?

The list includes, but is not limited to, eligible:

- Childcare center, babysitter, nanny (birth through age 12)
- Summer day camp
- Before or after-school care
- Disabled dependent and/or spouse care
- Elder care