

Medical & Dependent Care Flexible Spending Accounts Provider: Health Equity

Flexible Spending Accounts

Flexible Spending Accounts are optional benefit plans that allow you to direct a part of your pay, TAX-FREE, into two accounts, described below. A Healthcare Flexible Spending Account (HFSA) can be used to pay for out-of-pocket medical expenses for you and your tax dependents. These include charges for office visits, amounts toward your deductible, prescriptions, dental work, eyeglasses, contacts and lab fees. The Dependent Care Flexible Spending Account (DFSA) can be used to pay for daycare or elder care expenses.

Your FSA deposits are not taxable income on your W-2. Since your annual income is reduced, so are your annual taxes.

Medical FSA (Deductions occur 20 times per year)

How the FSA tax advantage works - Medical Flexible Spending (MFSA)

First, determine your election amount: For the HFSA, the minimum is \$200 and the maximum is \$2,750. Your election amount divided by the number of paychecks that you receive during the plan year will tell you what will be deducted pre-tax from each pay period.

You get the exclusive FSA debit card

The Health Equity FSA card can be used at any provider or merchant classified as a medical, dental or vision provider. It is limited to doctor's offices, pharmacies, hospitals, dental providers, vision providers, and medical labs.

Use of the card is optional. You can also use a different form of payment and then submit the claim to Health Equity on their website or via their mobile application.

When using the card, **please be sure to keep all of your receipts. You may be required to submit them to Health Equity.** The IRS requires that you substantiate all charges. WageWorks will attempt to do so systematically, but may contact you and request a receipt for your card transactions.

Due to Health Care Reform, over-the-counter (OTC) medicines and drugs, except for insulin, will require a letter of medical necessity or prescription from your physician to be reimbursed from your medical FSA. If you have any questions regarding whether a health-related supply is eligible please contact Health Equity customer services.

How Do You File a Claim?

Your Flexible Spending Account (FSA) is offered by HealthEquity. With this you will have several conveniences:

- Fast and efficient claim reimbursements
- Multiple claim submission options including online, fax or regular mail.
- Online account access 24 hours a day/ 7 days a week
- Toll-free customer service assistance, email and web chat customer service
- Interactive Voice Response System availability 24 hours/ 7 days a week to check account activity, account balance, and more
- Opportunity to sign up for text/ email notifications of account activity

How do I avoid losing money?

Pasco Schools allows the "carry over" option that enables you to carry over from one year to the next a maximum of \$550 of unused funds. If on December 31, you have an unused amount that exceeds the \$550 carry over, it will be forfeited. When making your election, please consider what your expected out-of-pocket expenses will be for the coming year for yourself and your tax dependents. The "Carry over" amount will be available to use after your 2021 account balance has been exhausted.

Please note that should your employment end during the plan year, your eligibility ends as of the last day of the month of your termination, yet you would still have ninety days to submit claims for dates-of-service that fell on or before your termination date. Monies not claimed within ninety days of your termination will be forfeited. Also, you are not eligible for the carryover of funds unless you are an active participant on the last day of the plan year or if you extend your FSA via COBRA thru the end of the year.

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Dependent Care Reimbursement FSA Account (Deductions occur 20 times per year)

A Dependent Care reimbursement account gives you the opportunity to pay for the first \$5,000 of employment-related dependent care expenses, tax-free. Your eligible dependents are children under the age of 13 and adults incapable of self-care that you claim as dependents. The DFSA, the minimum is \$200 and the maximum is \$5,000 (if married and filing jointly.) There is a maximum of \$5,000 for the household if it's two married employees of the board.

What are eligible dependent care expenses?

- Expenses for services provided in your home as long as someone you claim as a dependent, or other children under age 19 are not providing these services.
- Expenses for daycare services outside your home at a facility compliant with state and local laws.
- Dependent care expenses include adult daycare center, after school program, babysitting (work-related), before and after school programs, child care, custodial elder care (work-related), elder care (while you work, to enable you to work or look for work), senior daycare, and sick childcare.

Questions

Should you have any immediate questions, please contact Health Equity Customer Service at 877-924-3967. You can also visit our website at www.wageworks.com

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