

Types of FSA Accounts

Health Care Account (HCA)

The Health Care Flexible Spending Account (HCA) can be used to pay for eligible medical, dental and vision expenses not reimbursed by any other source.

Each year you can contribute *up to \$2,500 of your salary* to your Health Care Account. You do not have to be enrolled in a Medical or Dental plan to be eligible for reimbursement. The amount of your election will be divided by the number of pay periods to determine how much will come out of each check.

Dependent Care Account (DCA)

You can use the Dependent Care Flexible Spending Account (DCA) to reimburse yourself for expenses that you incur to care for your eligible dependents while you work. If you are married, your spouse must also work, be a full-time student, or be disabled. Eligible dependents include dependent children under the age of 13 and dependents who are incapable of self-care (authorized by a physician). For more details see the separate list of "Eligible Expenses."

Each year you can contribute *up to \$5,000 of your salary* to your Dependent Care Account. The amount of your election will be divided by the number of pay periods to determine how much will come out of each check.

Example of \$2,500 in expenses:

	Without FSA	With FSA
Annual Salary	\$25,000	\$25,000
Less FSA election	\$0	-\$2,500
Taxable Income	\$25,000	\$22,500
Less Taxes (25%)	-6,250	-5,625
Less Expenses	-2,500	-2,500
Plus Reimbursement from FSA	0	\$2,500
Spendable Income	\$16,250	\$16,875

You save \$625

...by using a Flexible Spending Account to reimburse eligible expenses. This example assumes an approximate tax rate of 20% from federal, state and local taxes. Your actual tax rate and corresponding savings may be higher.

Automatic Payment with HealthEZ

If you participate in the medical plan, your deductibles, co-insurance and patient responsibilities will be paid automatically from your FSA Health Care Account. You don't have to worry about payment at the time of your doctor visit.

Once your FSA has been exhausted, you can continue to use HealthEZ to autopay using a credit or debit card. For more information about HealthEZ, visit www.myhealthez.com.

How Do I Enroll?

To enroll in the Health Care FSA or the Dependent Care FSA, simply fill out an enrollment form available from Human Resources. Indicate on the form how much of your salary you would like to contribute to each account for the plan year. Both accounts are optional and either account can be selected independent of the other. Remember, the funds cannot be co-mingled, (i.e. you cannot pay money for health care expenses out of the dependent care account or vice versa). Your election to the accounts cannot be changed unless you have a qualifying status change. *Please consult your HR representative for more information on status changes.*

Claim Substantiation

The IRS requires that each claim be "substantiated" which simply means you need to send in the itemized cash register receipts to verify the expense is eligible, if you do not use HealthEZ.

Where to Mail or Fax:

Americas TPA
 7201 West 78th Street # 100
 Bloomington, MN 55439
 Toll free #: 800-948-9450
 Fax #: 952-896-0372

Important Note: *Each type of account falls under different sections of the Internal Revenue Code and has different rules that apply. More information can be found at www.irs.gov under publications 502 and 503.*