



# FSA (Flexible Spending Account)

*Updated 11.10.16*

# What You Will Learn

- ✓ The benefits of an FSA Plan and why you should participate
- ✓ How to get money into the Plan
- ✓ How to enroll
- ✓ How to manage and use your account
- ✓ How to get reimbursed for eligible expenses

# FSA Defined



- A **Flexible Spending Account (FSA)** is an employer-sponsored tax savings account.
  - Also known as a *Section 125 Cafeteria Plan*
  - Pre-tax benefits for eligible employees
  - Tax-advantages for employers
- Elect annual contribution for the Plan Year (within IRS limits) to be deducted from your paycheck—*before taxes*—in equal amounts throughout Plan Year
- Contributed dollars are used to pay for eligible expenses (via debit card or reimbursement)

[www.tasconline.com/benefits-limits/](http://www.tasconline.com/benefits-limits/)

# Tax Advantages



*Designed to save you money!*

- Money in an FSA is **never taxed**
  - No federal income tax
  - No state income tax
  - No social security tax
- Every dollar you contribute is **pre-tax**, reducing your taxable income and increasing your take-home pay!



# Why Participate in an FSA?



- You **increase your take-home pay** using **pre-tax** dollars for healthcare and/or dependent care expenses.
- You **reduce your income taxes** by an average of **30%**.
- Offset the impact of rising healthcare costs.
- FSA is a **FREE** benefit to you, paid for by your employer.
- FlexSystem offers easy-to-use tools and fast reimbursement options!

# FlexSystem Plan Types

*(as offered by your employer)*



- **Healthcare FSA**
- **Dependent Care FSA**

# Healthcare FSA: Eligible Expenses



- Co-pays and deductibles
- Prescription drugs/medications\*
- Dental/orthodontia care
- Vision care
- Disability expenses
- Vaccinations
- Smoking Cessation Programs
- *See complete eligible list*



## Ineligible Expenses:

- Insurance premiums
- Non-prescription OTC items\*
- Cosmetic procedures
- Personal hygiene products
- Vitamins/supplements
- Diet products/food
- Health club fees
- Non-prescription glasses
- *See complete ineligible list*

*\*OTC drugs/medications require a prescription or a Prescription Order Form to be eligible for FSA reimbursement.*

# Dependent Care FSA

- Elect pre-tax dollars to pay for eligible dependent day care services while you (and your spouse) are working or attending school full-time.
  - Daycare centers
  - Nannies
  - Nursing Homes
- **Dependent Care FSA funds are only available for reimbursement *as* they are deducted from your paychecks and contributed to the Plan (money-in, money-out).**
- Qualifications:
  - Individual that regularly spends at least 8 hours a day in your home
  - Dependent care for children under age 13
  - Dependent who is physically or mentally incapable of self-care
  - Your daycare provider must claim your payments as income and pay tax

\$5,000 max  
contribution per year

# Dependent Care FSA: Eligible Expenses



- Daycare expenses
- Before and after school care
- Nanny expenses
- Nursery school
- Registration fees
- Elder care
- *See complete eligible list*

## Ineligible Expenses:

- Tuition
- Transportation
- Activity fees/supplies
- Field trips
- Overnight camp
- *See complete ineligible list*



# Your FSA Plan Details



Plan Year:	7/1 – 6/30 of each year
Healthcare Maximum:	\$2750
Dependent Care Maximum:	\$5,000
Enrollment Period:	Open Enrollment
Final Enrollment Deadline Date:	Last Day of Open Enrollment
Carryover amount:	\$570
Runout period/claim deadline:	7/1 – 9/30

# How the Plan Works

- Elect your annual contribution amount for each selected benefit:
  - Based on your estimated out-of-pocket expenses for the upcoming Plan Year
  - Annual IRS limits apply; obtain current limits at: [www.tasconline.com/benefits-limits](http://www.tasconline.com/benefits-limits)
  - To be deducted from payroll pre-tax in equal amounts throughout Plan Year
- Access your FlexSystem funds to pay for eligible expenses



# Immediate Access to *Healthcare Funds*



- The **total amount** of your Healthcare FSA annual contribution is available to you at the **beginning** of the Plan Year

EXAMPLE: if your annual contribution is \$1500 and you have a medical expense of \$500 during the first month of the plan, you would have access to the total amount of your annual contribution (\$1500) to cover the \$500.

- **NOTE:** Dependent Care FSA funds are available only as they are deducted from your paychecks (money-in, money-out)
- Funds cannot crossover between each FSA type (i.e., Healthcare FSA funds cannot be used for Dependent Care expenses)

# Two Ways to Access FSA Funds



- **TASC Card**

- Direct access to available funds
- Point-of-purchase
- Eliminates the need to file a claim

- **Request for Reimbursement (RFR)**

- Easy step-by-step process
- 24-hour processing
- Direct Deposit OR
- MyCASH (reimbursements get loaded back up on your card – that money can be used anywhere that takes MasterCard)

# How the TASC Card Works



- You will receive the TASC Card upon Plan enrollment (mailed to your home)
- Works like a debit card, pre-loaded with the dollar amount of your annual contribution for **Healthcare FSA**
  - **Dependent Care FSA** funds are available as payroll contributions are made
- It's a “Smart Card”
  - Eligible FSA expenses are paid from your *MyBenefits* account
  - Ineligible expenses are paid from your *MyCash* account



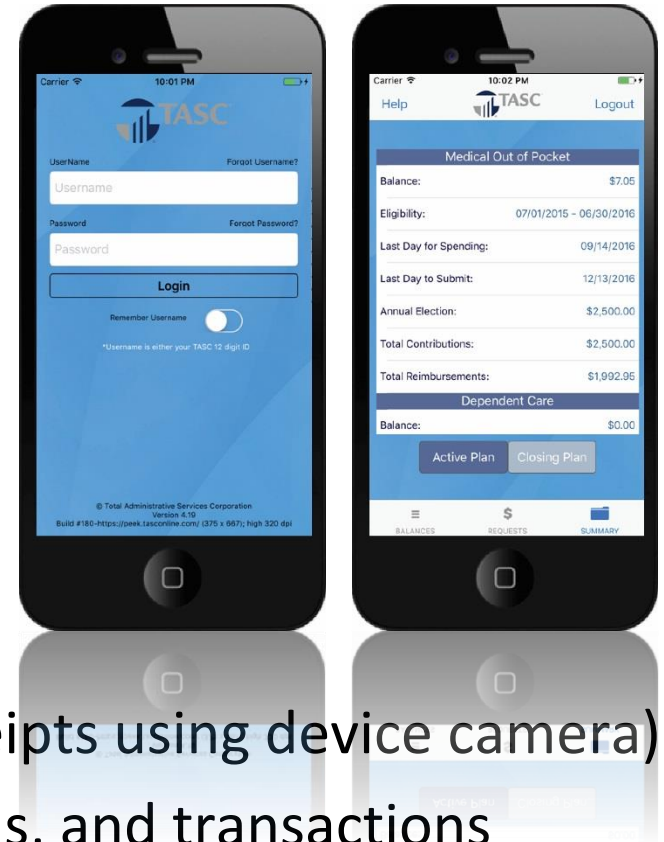
**LET THE CARD DO THE THINKING FOR YOU!!**

# TASC Mobile Tools



- **MyTASC Mobile App**

- Free download for mobile devices:
  - Apple® App Store
  - Google Play™
- Secure login and memory with MyTASC username and password
- View real-time account balances
- Request a Reimbursement
- Submit substantiation (capture receipts using device camera)
- View plan information, contributions, and transactions



# Points to Remember

- This is an irrevocable election – like open enrollment
- Each card expires 4 years from issue.
- Each Plan Year, the card dollar limit is replenished according to the new elected amount on the first day of the new Plan.
- The TASC Card cannot be used for expenses incurred in the prior Plan Year.



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Customer Care



**TASC *Customer Care* is open**

**8am-5pm all time zones**

**800-422-4661**

**(number is also on the back of your  
FSA debit card)**