

# FLEXIBLE SPENDING ACCOUNT (FSA) PROGRAM

Want to stretch your income, reduce costs and pay less in taxes? How? By enrolling in the Flexible Spending Account (FSA) Program administered by Navia Benefits. You may choose to participate in the Health Care Flexible Spending Account or the Dependent Care Flexible Spending Account, or both depending upon your individual needs.

## HEALTH CARE FSA

This account allows you to set aside **pre-tax** money from each paycheck to pay for eligible out-of-pocket health care expenses (not covered by your medical, dental or vision insurance) that you and your dependents incur throughout the plan year. You may participate in the Health Care FSA even if you do not participate in our medical, dental and/or vision programs.

### Eligible health care expenses may include:

- Office visit and prescription drug copayments
- Deductibles
- Coinsurance
- Expenses not covered through your medical plan
- Out-of-pocket dental, vision or hearing related expenses

### Ineligible health care expenses may include:

- Insurance premiums for employer-sponsored benefits deducted from your paycheck on a pre-tax basis
- If you itemize certain medical expenses on your income tax returns, those expenses cannot be submitted for reimbursement under this plan

Not a bad deal at all. By taking advantage of this benefit, you can stretch the money available for health care expenses and reduce your federal income and social security taxes — and depending on where you live, your state and local income taxes as well. Use Navia's [FSA Calculator](#) to see how FSAs can help you save. The maximum annual election for the Health Care FSA is \$3,400.

**If you enroll in an HSA-compliant High Deductible Health Plan (HDHP), you may enroll in the Limited Purpose Health Care FSA.** You can reimburse yourself for out-of-pocket dental and vision expenses with the Limited Purpose Health Care FSA. Medical and prescription drug expenses aren't eligible under the Limited Purpose plan.

Any balance of up to \$680 in the Health Care FSA will be carried over into the next year for eligible expenses. Any funds in excess of \$680 will be forfeited.

## DEPENDENT CARE FSA

To decide whether a Dependent Care FSA is right for you, determine if you will incur eligible expenses. Generally, day care, nursery school, after-school care, elder care and companion service costs that allow you (and your spouse, if applicable) to work or attend school full-time are eligible expenses.

Your dependent care expenses must be for qualified individuals, including:

- Your dependent child under the age of 13 who lives with you for more than half the year
- Your spouse or other tax dependent who is physically or mentally incapable of self-care and lives with you for more than half the year

By contributing to a Dependent Care FSA through payroll deduction, you are able to pay for these eligible dependent care expenses with **pre-tax** dollars. The maximum annual election for the Dependent Care FSA is \$5,000.