



Flexible Spending Account Summary

What is a Flexible Spending Account?

A Flexible Spending Account (FSA) is a tax-free account that allows you to pay for essential health care expenses that are not covered, or are partially covered, by your medical, dental and vision insurance plans; or pay for child/dependent care expenses. By contributing a portion of your payroll dollars into your FSA on a pre-tax basis, you **can save from 25% to 40%** on the cost of eligible expenses for which you are already paying. The **Health Care FSA** helps you save money to pay for your out-of-pocket healthcare expenses, including prescription drug costs, medical, dental, vision and hearing expenses and the **Dependent Care FSA** helps you avoid paying taxes on your child or dependent care expenses, including day care, baby sitting, in-home care for older dependents and before & after school care expenses.

When you enroll in an FSA, you decide how much to contribute to each account for the entire Plan Year. The money is deducted from your paycheck pre-tax (before Federal & State income taxes and FICA taxes are deducted) in equal amounts, over the course of the plan year. After you incur expenses that qualify for reimbursement, you submit claims (reimbursement requests) to ASIFlex to request tax-free withdrawals from your FSA to reimburse yourself for these expenses.

It's as Easy As: **-1-** Deciding your Annual Election **-2-** Incurring Expenses **-3-** Submitting Expenses to Get Your Tax Break

Reduce your health care and child care expenses by 25% to 40% by using your FSA!

Health Care FSA Overview:

The Key to getting the most out of your Health Care FSA is to maximize your contributions based on the expenses you, or any of your tax dependents, anticipate incurring during the plan year. To plan your annual election amount:

- 1) Review the list of eligible expenses (www.asiflex.com has a comprehensive list).
- 2) Review your medical expenses from last year.
- 3) Write down any additional eligible expenses you anticipate incurring in the coming year.
- 4) Be sure to include at least some money to cover your deductible expenditures.
- 5) Estimate your cost for each of these FSA eligible expenses. (Don't forget that your tax dependents' expenses qualify, too, even if they are on a different health insurance program.)



What healthcare expenses can I use my Healthcare FSA for?

Partial list of qualified medical expenses:

- ✓ Deductibles
- ✓ Copays
- ✓ Doctor's fees
- ✓ Dental expenses
- ✓ Prescription glasses
- ✓ LASIK surgery
- ✓ Prescription drugs & insulin
- ✓ Chiropractor's fees
- ✓ Over-the-counter meds (used to treat a medical condition)
- ✓ Orthodontia (See specific requirements)

Your FSA cannot be used for:

- ✓ Insurance premiums
- ✓ Cosmetic procedures (such as face lifts, teeth whitening, veneers, hair replacement, etc.)
- ✓ Clip-on or nonprescription sunglasses
- ✓ Toiletries
- ✓ Long-term care expenses
- ✓ Drugs, herbs, or vitamins for general health and not used to treat a medical condition
- ✓ Warranties

Check out www.asiflex.com for more eligible expenses

Dependent Care FSA

Dependent Care FSAs create a tax break for dependent care expenses (typically child care or day care expenses) that enable you to work. If you are married, your spouse must be working, looking for work or be a full-time student. **If you have a stay-at-home spouse, you should not enroll in the Dependent Care FSA.** The IRS allows no more than \$5,000 per household (\$2,500 if you are married and file a separate tax return) be set-aside in the Dependent Care FSA in a calendar year.

Please note that IRS regulations disallow reimbursement for services that have not yet been provided, so even if you pay in advance for your expenses, you can only claim service periods that have already occurred. **Eligible expenses** include day care, baby-sitting, & general purpose day camps. **Ineligible expenses** include overnight camps, care provided by a dependent, your spouse or your child under the age of 19 & care provided while you are not at work.

Whom do I contact if I have questions?