

Flexible Spending Account (Health FSA) and Dependent Care Accounts (DCAP) ...how it works!

What is a Flexible Spending Account (FSA)?

An FSA is an employer-sponsored plan that allows deducting dollars from your paycheck and depositing them into a special account that's protected from taxes. FSA accounts are exempt from federal taxes, Social Security (FICA) taxes and, in most cases, state income taxes. The money in an FSA can be used for eligible health and/or dependent care expenses that are incurred while you are participating in the plan.

Who can put money in my FSA?

You and your employer, although employers rarely contribute to employees' FSAs.

How do I use the card for my FSA?

If you are enrolled in the Health FSA plan your *Benny Card* can be used to pay for all qualified Health FSA expenses. If you are enrolled in the FSA, your *Benny Card* is programmed to know to debit your FSA benefits accordingly. You can also use your Benny Card at the Health FSA Store www.fsastore.com.

Where can I use the card?

The *Benny Card* may be used to pay a medical provider for eligible medical expenses in accordance with your Health Flexible Spending Account (FSA) election without having to take the money out of your wallet!

What does it mean to incur expenses?

The IRS considers expenses to be "incurred" at the time you receive medical care or dependent care--not when you are formally billed or actually pay for services. Only eligible expenses you incur within the plan year, including any employer-allowed grace period, are eligible for reimbursement.

What happens if I have money remaining in my account at the end of the year?

You are now able to roll over remaining funds into your next plan year up to \$500.00. This rollover means enrollment in an FSA is much less risky. This gives you more flexibility to spend your FSA money when you need it. You can use it for necessary out-of-pocket healthcare expenses, rather than feeling pressured to engage in last minute and potentially unnecessary spending at the end of the year or grace period.

What if my doctor or medical facility doesn't accept the Benny Card?

You'll need to pay with cash or check and submit a Reimbursement Form along with your receipts to your plan administrator for reimbursement.

Important things to remember using your Benny Card:

Keep all your receipts! The IRS requires that you retain all receipts for Debit Card transactions. You may be required to send a receipt to your Administrator to substantiate a Debit Card transaction. If asked for, the receipt must be submitted within 30 days of your purchase. If your receipt is not submitted within this 30-day period your card will be de-activated and future purchases must be paid for and submitted for reimbursement via a paper claim.

