Frequently asked questions about your FSA

How does an FSA work?

- **Funding.** You will contribute a pre-determined amount to your account. Your funds will be available for use on the first day of your plan year.

- **Accessing funds.** When you have eligible health care expenses, pay for them with your payment card, or pay out of pocket and request reimbursement online. Remember to always keep your receipts.

- **Requesting reimbursement and providing proof of purchases.** It's quick and easy to request reimbursement for eligible expenses paid using personal funds or to submit documentation for card purchases. Our documentation upload features online and on the mobile app will save you time and make your life easier. Please remember that credit card receipts, non-itemized cash register receipts and canceled checks are not acceptable forms of documentation. Always request an itemized receipt or EOB from your health care provider or merchant.

- **Claims processing.** We will promptly process your request and reimburse you either by check or direct deposit, if you sign up for that feature.

- **Account management.** Sign in to your online account or the mobile app to check your account balance, set up your family profile, add a bank account to enable faster reimbursements or request a debit card in a dependent's name.

How much can I contribute to my FSA?

Beginning January 1, 2023, Health FSA contributions are limited by the IRS to $3,050 each year. (This is a $200 increase from the 2022 limit of $2,850.) The limit is per person — each spouse in the household may contribute up to the limit.

For dependent care FSAs, you may contribute up to $5,000 per year, if you are married and filing a joint return or if you are a single parent. If you are married and filing separately, you may contribute up to $2,500 per year per parent.

Where can I use my FSA payment card?

Paying with your FSA payment card is a convenient way to pay for qualified medical expenses without having to submit paper claim forms. It can be used at health care-related merchants, such as hospitals and vision, dental and doctor's offices. Remember, you also save up to 30% since you're using pre-tax dollars.*

It can also be used at drugstores, pharmacies and grocery stores that have implemented the IIAS (Inventory Information Approval System) or certified 90% of their gross sales are FSA-eligible.

The FSA payment card may also be used at childcare providers that accept Mastercard® or Visa® and have a valid merchant category code signifying they are a childcare provider. The payment card may not be used if you pre-pay childcare expenses, since the IRS requires the expense must be incurred before reimbursement can be made from your dependent care spending account.

As always, **save itemized receipts**, bills or statements anytime the payment card is utilized.

What is the "run-out" period?

The "run-out period" is a specified period of time after the end of the plan year — or following your termination from the plan — in which you may continue to submit claims incurred during your period of coverage.

This is not a period when you can continue to incur new expenses, but rather it allows you time to gather and submit expenses before your funds are forfeited.
For example, if your plan has a 90-day run-out period, you will have 90 days from your date of termination to submit expenses incurred before the termination date.

What is the difference between an HCFSA and a DCFSA?

As with most health plans, you're likely to have out-of-pocket expenses each year. If you have children and have to pay for childcare, a dependent care account can help stretch your hard-earned dollars. There are two types of flexible spending accounts:

A health care FSA (HCFSA) or limited-purpose FSA can cover medical, prescriptions, hearing, dental or vision expenses that you would otherwise pay for out of pocket. Common qualified expenses that an FSA will usually cover include the deductible, coinsurance or copayment amounts for your health plan, eyeglasses or contact lenses, dental work and orthodontia, medical equipment, hearing aids and chiropractic care.

Many over-the-counter drugs, such as cold and allergy medicines, pain relievers and antacids can also be reimbursed through an FSA with a doctor's note or letter of medical necessity. For a list of eligible expenses, please see IRS Publication 502.

Another great feature is that the funds are front-loaded to the account and are available at the start of your plan year.

A dependent care FSA (DCFSA) — also known as a dependent care assistance program (DCAP) — covers employment-related expenses for childcare. Qualified expenses must be for services that allow for you to be able to work.

Typical expenses under this account include charges for childcare, nursery school and eldercare (though not if it is for medical care) for your legal tax dependents.

The dependent care FSA is not front-loaded.

Am I eligible to use a qualifying dependent care FSA?

You are eligible for this benefit if you have a dependent (whose expenses are eligible) who requires care in order for you to be able to work. You must also meet one of the following eligibility criteria:

- You are not married.
- Your spouse works, is a full-time student, is actively seeking work or is disabled (cannot perform their own self care).
- You are divorced or legally separated and have custody of your child, even though your former spouse may claim the child for income tax purposes. Your dependent care FSA can be used to pay for childcare services, provided for the times when the child resides with you.

How do I determine the date my expense was incurred?

A service or expense must be incurred before it is eligible for reimbursement. An FSA expense is considered "incurred" when the service is performed, not when you pay for the service. The service also must be performed during your participation in the plan. Services or expenses incurred before or after your plan participation dates do not qualify for reimbursement.

What happens if I do not use all of the money in my HCFSA?

Generally speaking, money remaining in your FSA at the end of the plan year will be forfeited. This is most often known as the "use-it-or-lose-it" rule. But some plans may allow you to continue submitting claims beyond the end of the plan period for any eligible expenses you incurred before the deadline.

Additionally, some plans may let you continue spending your FSA dollars through a defined grace period or carry over part of your remaining balance.

Be sure to check your specific plan rules in your summary plan description (SPD) by contacting your HR Department.

Who do I call if I have a question about my FSA?

Contact a representative at Optum Financial at 1-866-234-8913.