

Flexible Spending Accounts

Our Flexible Spending Accounts (FSAs), administered by HealthEquity, allow you to save before-tax dollars to pay for eligible healthcare and dependent day care expenses. FSA enrollment and contribution choices do not roll over from year to year, so you will need to re-enroll at each annual enrollment for the next year.

There are three types of Flexible Spending Account (FSA) available:

- Healthcare FSA
- Limited Purpose Healthcare FSA (for associates contributing to a Health Savings Account (HSA) only)
- Dependent Care FSA

How Flexible Spending Accounts (FSAs) work

You plan your expenses carefully - 'use it or lose it'!

Your FSAs can only be used for eligible expenses incurred from January 1 through December 31. You have until March 31 in the next year to submit your reimbursement requests. **You will lose any dollars that cannot be reimbursed** - other than the \$500 carryover available for Healthcare FSAs only (see below).

+

You save

You authorize pre-tax payroll deductions and your contributions are held in an account in your name.

+

You spend

You pay for eligible expenses out of your pocket. For healthcare expenses, you can use your Healthcare FSA debit card.

+

You apply for reimbursement

You complete a [claim form](#) and send it with a copy of your receipt(s) to HealthEquity. You are reimbursed from your FSA with direct deposit to your checking or savings account (not by check).

FSAs and their effect on Social Security

Because the amount you contribute to FSAs is not taxed for Social Security purposes, the Social Security benefit you receive when you retire or become disabled may be slightly reduced. For most people, the tax savings FSAs offer outweigh the benefit reduction, but you should consider this when planning.

Restrictions on reimbursements after termination in status

If you leave OhioHealth or go to a status that makes you no longer eligible for benefits (e.g., part-time casual status), you are reimbursed only for expenses that were incurred prior to your termination date or change in status date. For example, if you have dollars going into a Healthcare FSA and terminate or change your status on July 1 of a given year, you can request reimbursement only for expenses you incurred prior to July 1. If you had no expenses for which you need reimbursement, you may forfeit any dollars you contributed to the Healthcare FSA.

Healthcare FSA

You can use a Healthcare FSA to save up to \$2,700 a year (\$130 minimum) in before-tax dollars to pay your out-of-pocket medical, dental, vision and hearing care expenses not covered by any other plan. A debit card is provided for you to use when paying for expenses (see below).

Examples of eligible expenses

- Deductibles, coinsurance and copayments for health and dental expenses
- Medical equipment
- Vision care expenses, eyeglasses and contact lenses
- Orthodontia services
- Hearing tests and aids
- Speech therapy and physical therapy

Examples of expenses that are NOT eligible

- Premiums you pay for medical or dental coverage
- Long-term care expenses
- Cosmetic surgery
- Certain well-being services, such as weight loss or smoking cessation programs, that have not been specifically prescribed by your doctor

\$500 carryover

If you have not spent all of your Healthcare FSA funds when the plan year ends, you may carry over up to \$500 of unused funds to use before March 31 in the next plan year. If you have not used the funds by March 31, the IRS “use-it-or-lose-it” rule applies and you will lose any remaining funds.

In deciding whether to take a carryover or spend down your balance, consider your benefits elections for the coming calendar year. If you have a Healthcare FSA, you are not eligible to contribute to a Health Savings Account (HSA) at the same time. So, if you have an FSA one year and are planning to enroll in the OhioHealthy HDHP+HSA the following year, you would only be able to carryover funds into a Limited Purpose Healthcare FSA, which can only be used for dental and vision expenses. You may prefer to spend down your funds instead.

Limited Purpose Healthcare FSA

(for associates contributing to a Health Savings Account (HSA) only)

IRS rules mean that if you contribute to a Health Savings Account (HSA), you cannot contribute to a Healthcare FSA at the same time. Instead, you can use a Limited Purpose Healthcare FSA to save up to \$2,700 a year (\$130 minimum) in before-tax dollars to pay your out-of-pocket dental and vision expenses only (not medical expenses). A debit card is provided for you to use when paying for expenses (see below).

Eligible expenses include:

- Vision care expenses, eyeglasses and contact lenses
- Dental expenses, fillings, crowns and orthodontia

Dependent Care FSA

You can use a Dependent Care FSA to save before-tax dollars to pay your daycare expenses for children and disabled or elderly family members.

Examples of eligible expenses

- Babysitting or daycare expenses that enable you (and your spouse) to work or go to school full time
- Expenses for the care of a spouse, parent or other dependent incapable of self-care and who qualifies as a dependent on your federal tax return

Examples of expenses that are NOT eligible

- Services received from a person who is a dependent on your federal income tax return, or your child or stepchild under the age of 19
- Child support payments
- Food, clothing and entertainment
- Cleaning and cooking services not provided by the care provider
- Overnight camp
- Educational supplies and activities

You can contribute to your Dependent Care FSA up to:

- \$2,500 a year if you are married and file a separate tax return
- \$5,000 a year if you are married and filing jointly, or if you are single

You cannot contribute more than your or your spouse's income (whichever is less).

Dependent care tax credit

The IRS also provides a tax credit on your dependent care expenses. This is an alternative to the Dependent Care FSA, but remember:

- The amount you put in your Dependent Care FSA will reduce, dollar for dollar, the maximum amount of dependent care expenses you may use toward the federal tax credit
- You should carefully consider whether the federal tax credit or the FSA provides you with the greater tax savings

For more information on the federal dependent care tax credit, consult your tax advisor.

FSA debit card

If you have a Healthcare FSA or Limited Purpose Healthcare FSA, a debit card is provided for you to use when paying for expenses. Although it is called a debit card, use it like a credit card. It does not have a PIN.

The card is a convenient way to pay for out of pocket expenses. Remember that it is best to let your medical, dental or vision plan pay first and issue an Explanation of Benefits (EOB) for the amount that you owe. Use the debit card only after you have received this EOB to pay for health claims, other than pharmacy.

The following are answers to some commonly asked questions about using the card. If you have other questions, contact HealthEquity or visit [HealthEquity.com/ohioheath/qme](https://www.healthequity.com/ohioheath/qme).

What can I use the card for?

The card may be used only for IRS approved eligible expenses. Visit HealthEquity.com/ohiohealth/qme for information on FSA qualified expenses.

What won't the card pay for?

Examples of ineligible expenses are cosmetic procedures (such as cosmetic surgery, teeth bleaching or bonding), massage therapy, vitamins, health club dues and dietary supplements. You will be notified upon the submission of your receipt that you have purchased an ineligible item.

Where can I use the card?

The card is coded to work only at places that provide medical services or sell medical products. Some examples are doctor's offices, dental offices, hospitals, laboratories and drug stores. You cannot use the card at gas stations, grocery stores, etc. These places do not normally sell qualified items and are therefore not coded to accept the card.

Do I need to send in receipts after using the card?

Yes, you must submit receipts for all card swipes in order to document that only approved expenses were purchased. If you do not submit a receipt within 90 days, the transaction will automatically be reversed and your card will be terminated.

What information must the receipt contain?

Your name, the date of service, the name of the service/product provider, the amount of the expense and a description of the service/product purchased. Generally, acceptable documentation will be a doctor office receipt showing all the above information, the prescription drug tag (no cash register receipts), an itemized bill for glasses/contacts or an Explanation of Benefits report (EOB) provided by your insurance company after the claim has been settled by the insurance company.

What happens if my card is terminated and I do not submit the required receipts?

OhioHealth will collect the funds owed from you using payroll deduction.

Why won't the card work?

The most common reasons are that the amount of the expense is greater than the remaining balance you have left to spend for the year, or the store/facility is incorrectly coded. A good example of incorrect coding is a grocery store pharmacy that is incorrectly coded as a grocery store. It must be coded as a pharmacy.

What do I do when the card won't work?

Pay for the service/item and then submit an itemized receipt for reimbursement by direct deposit.

How do I get my account balance?

Call HealthEquity at 1-866-346-5800, visit healthequity.com, or use the mobile app at. You will need to register to use the websites or app.

How to make the most of this benefit

- Plan your expenses carefully, thinking about your predictable medical expenses for the year ahead - if you need help estimating your out-of-pocket expenses, visit HealthEquity.com/ohioheath/qme and use the eligible expense list to help estimate your out-of-pocket expenses
- Before paying an out-of-pocket healthcare expense, let your medical, dental or vision plan pay first and issue an Explanation of Benefits (EOB) for the amount that you owe

- When using the FSA debit card, choose 'credit' not 'debit'
- Submit your receipts and claim forms promptly to ensure you are reimbursed
- Use the HealthEquity mobile app to see your account balances, reimbursement history and claims submission
- Change your coverage at any time during the year if you have a relevant and qualified change in family status (e.g. you get married and want to add your spouse) - update your elections in [Workday](#).

Contact HealthEquity

healthequity.com

Call 1-866-346-5800