

# Flexible Spending Account (FSA)

(formally known as Flexrap)

## A Tax-Free Way to Pay for Extra Expenses

Now is the time to make the most of your hard-earned dollars! Enrolling in a Flexible Spending Account can help you to save and pay for eligible Health Care and Dependent Care expenses with pre-tax dollars.

### Compare the 3 Types of FSAs Offered:

	HEALTH CARE FSA	LIMITED PURPOSE HEALTH CARE FSA	DEPENDENT CARE FSA
<b>Who can participate?</b>	Any employee that is not enrolled in HSA	Employees that are enrolled in the HSA	All employees
<b>What does it pay for?</b>	Eligible medical, vision, dental expenses, as well as other approved health care expenses  See Publication 502 for a list of eligible expenses	Eligible dental and vision expenses only  See Publication 502 for a list of eligible expenses	Eligible day care expenses for children up to age 13 (childcare must be for care while you are working, if married, your spouse also works or attends school full-time)  Eligible care expenses for dependent adults  See Publication 503 for a list of eligible expenses
<b>How much can I contribute?*</b>	Up to \$3,050*	Up to \$3,050*	Up to \$5,000 (\$2,500 if married and filing separate tax returns)*
<b>When do I enroll?</b>	Every year at Open Enrollment, when newly hired, or when you experience an eligible life event		
<b>How does the FSA impact my paycheck?</b>	Existing employees: Annual contribution will be divided into equal deductions over 24 paychecks. Your entire annual contribution amount is available to you after your first contribution.  Newly eligible employees: Your contributions will be divided over the remaining pay checks through the end of the year, (not more than two paychecks per month).		Dependent Care FSA contributions are only available after the payroll deduction occurs.
<b>What happens if I don't use it?</b>	For 2024 FSA and Dependent Care FSA funds, the standard two and a half month grace period will apply, and you have until March 15th, 2025 to incur claims and until March 31, 2025 to submit claims using your FSA card or via reimbursement. Unused 2024 funds will be forfeited.		
<b>How do I get reimbursed?</b>	Use your OPTUM Financial/Connect Your Care debit card, or log on to <a href="http://www.optum.com/cyc">www.optum.com/cyc</a>		

\*Maximum contribution amounts are subject to change once 2024 contribution limits are announced by the IRS. If you elect the maximum amount for 2023 the City will automatically increase your contribution to the 2024 maximum amount once released.

## Important Information

**Flexible Spending Account enrollment does not automatically roll over from one year to the next. Annual re-enrollment is required.**



# Flexible Spending Account (FSA)

(formally known as Flexrap)

## Annual Enrollment in FSA Benefits is Required

You must sign up for FSA accounts every year; your prior year elections do not continue into the new plan year. By enrolling in FSA, you can contribute to the Health Care Account, the Day Care Account, or both, with pre-tax dollars deducted in equal amounts from your first two paychecks each month. That means no taxes (federal, state, or Social Security) will be withheld from those contributions.

When you enroll in the FSA Health Care Account available through Optum Financial, you can request a debit card pre-loaded with your annual FSA health care contribution. You can be reimbursed using the Optum Financial online portal, the mobile phone app, or by submitting claims via fax or mail. When you set up direct deposit, your reimbursement will appear in your account within three business days of Optum Financial receiving your claim and documentation.

Eligible expenses must be incurred on or before March 15, 2025 for the calendar year 2024 for which you are enrolled. When you have a qualifying event such as marriage, birth, adoption, divorce, or a new day care provider, you can make a correlating change to your FSA amount when you contact the Benefits Office within applicable time-frame. Please review the Qualified Life Events Chart on the Benefits website under Document Library.

If enrolled in a general purpose FSA in 2023 and electing the Saver's Choice High Deductible Health Plan in 2024, you must spend your FSA dollars to \$0 before 12/31/2023 to be eligible for the City HSA contribution in January 2024. If more than a \$0.00 balance exists in your general purpose FSA account, your City HSA contribution will be postponed until after the FSA grace period of 3/15/2024.

## Expense Reimbursement

Find an alphabetical list of eligible expenses at the Optum Financial website. Submit your expenses for reimbursement online, by fax, by mail, or via the Optum Financial mobile app.



Set up direct deposit and select Paperless Notification & Payment Authorization Form to have your reimbursement automatically deposited. A check will be mailed if direct deposit is not established. Find account information and claim forms at the Optum website (choose General FSA Claim Form). You can submit claims without using a claim form when you submit online or via the mobile app. Find the mobile app by searching your app store for Optum Financial.

## If You Receive a Call...

When you file an FSA claim, you may be contacted regarding further information about your expenditure that is needed to process the claim. While this does not happen often, please be aware that being contacted to provide further information does not mean that the claim is ineligible for reimbursement. Simply submit the needed documentation so that your claim can be processed, and you can receive your reimbursement as soon as possible.

## Don't Forget

The IRS traditionally imposes a "use it or lose it" rule. In other words, if you do not spend all the money in your FSA by the deadline, any unused dollars in your account(s) after the deadline would be forfeited.

Be sure to review the grace period information on Page 39, and if it is your first time electing FSA, be conservative in your estimate of how much money you'll spend.

## Optum Financial

(877) 292-4040

[www.optum.com/cyc](http://www.optum.com/cyc)

Mobile App: Optum Financial

