



# FSAs Create Big Savings for You!



## What is an FSA?

An FSA is a tax-advantaged benefit plan whose funds are **exempt from taxes**. Your out-of-pocket health care expenses are eligible for reimbursement if the expenses are for medically necessary care or treatment incurred during the Plan Year. If you have dependents, your out-of-pocket expenses for their health care and treatments are eligible too!

**You may contribute up to \$2,700 in your FSA.**

## Help Reduce Receipt Requirements

- As a participant of the Plan, you are required to substantiate certain debit card transactions to verify the expenses or services being paid for with the card are eligible under your Plan. Please submit receipts as requested. For more information, please visit the link: <https://youtu.be/PJEoppundM>
- IIAS – Sku-filtering technology** – Over-The-Counter (OTC) medications and prescriptions purchased at most major pharmacy, grocery, and discount stores with your card are automatically approved by their checkout technology. You will not be asked to submit a receipt.

- Our partner, FSA Store, is a convenient source for Flexible Spending Account participants, as it is the only e-commerce site exclusively stocked with FSA eligible products. There is no guesswork about FSA reimbursement on the site, because products are clearly marked showing which ones require a prescription, and which ones do not. In addition to thousands of products, the site has various resources (including an FSA Learning Center, FSA Calculator, and a comprehensive listing of eligible expenses) to help participants better understand and use their FSA. FSA Store features 24/7 customer service via live chat, phone, and email. To visit FSA Store, please go to [www.medcombenefits.com](http://www.medcombenefits.com) or <https://medcom.wealthcareportal.com> and click on the banner.

## Grace Period

- The Grace Period extends the length of your plan by two and half months. You now have until March 15<sup>th</sup> to spend all of your money for the previous plan year for both the FSA and the DCA plans.

Employee	Without Flex	With Flex
Gross Salary	\$36,500	\$36,500
Health FSA	\$0	\$1,000
Day Care	\$0	\$1,200
Taxable Salary	\$36,500	\$34,300
Fed/State/FICA	(\$7,450)	(\$6,750)
Take Home	\$29,050	\$27,550
Your Out of Pocket	(\$2,200)	(\$0)
Net Take Home	\$26,850	\$27,550
SAVINGS	(\$0)	\$700





# Your Tax Advantage

Federal, State and FICA taxes are not taken on the amount you contribute to your Health FSA and/or Dependent Day Care Account. This could represent a 25% - 40% savings on your "out-of-pocket" costs for medical expenses and dependent day care expenses!

## Eligible expenses include:

Any Health-related medical treatment, medication, medical procedure, including flu shots, chiropractic care, acupuncture, lasik eye surgery, eye exams, prescription sunglasses, orthodontia\*, physical therapy, durable medical equipment, OTC "drugs" and "medicines" with a prescription, etc.

\* Please consult with Medcom for limitations on orthodontia expenses.

## Ineligible expenses\* include:

Any cosmetic medical or dental care and treatments. Procedures for "general well-being" such as massage therapy and weight loss programs. Other ineligible expenses include vitamins, nutritional supplements and food, minerals, herbs, insurance premiums, eligible services paid for but not yet received, and OTC "drugs" and "medicines" except insulin without a prescription, etc.

\*Exceptions may be made for certain ineligible expenses to be covered by your FSA Plan if they are medically necessary to treat a specific medical condition. A letter of medical necessity from a licensed medical practitioner is required before any of these expenses are reimbursable. Please consult Medcom Customer Service for details and specifics of what is required. These types of services may not be used with your debit card; a manual claim is required.

## 100% HIPAA Privacy Protected!

### YOUR MASTERCARD® DEBIT CARD

- Once enrolled, you will receive a Mastercard® directly linked to your FSA account to pay for your out-of-pocket health care expenses.
- Purchases should be processed as a "credit" transaction each time. Always know your balance; transactions that exceed the available balance in the account will be declined.
- Reimbursements will not be made for any amount exceeding the election amount. Your FSA annual election is available on the first day of your Plan.
- If you need a replacement debit card, please contact Medcom. A replacement card fee may apply. This fee will automatically be deducted from your account.
- Use your card according to the rules and submit receipts as requested.