

Smart, simple savings



What is an FSA?

An FSA is a Flexible Spending Account that allows you to set aside money on a pre-tax basis to pay for eligible healthcare and/or dependent day care expenses. This means that you could save about \$.30 on every dollar you contribute! The amount that you choose to contribute is taken out of your paycheck in equal amounts each pay period, making it easy to save for out-of-pocket expenses that you have during the plan year. Consider an FSA...it's a smart way to pay!

Keep in mind, there are two types of FSAs available - a healthcare FSA and a dependent day care FSA.

Healthcare FSA

This account allows you to pay for eligible medical, dental, prescription, vision and/or hearing expenses that are not covered by insurance. Eligible expenses include, but are not limited to:

- Copays, coinsurance and deductibles
- Dental treatment (excluding cosmetic treatment)
- Eyeglasses & contact lenses
- Hearing aids
- Laser eye surgery
- Over-the-counter (OTC) items*
- Orthodontia
- Physical therapy and chiropractic care
- Prescriptions

*As of January 1, 2011, OTC medicines and drugs require a written prescription from your doctor in order to get reimbursed through an FSA. However, there are many OTC items that do not require a prescription to get reimbursed such as:

- Band-aids, elastic bandages & wraps
- Braces & supports
- Contact lens solution & supplies
- Denture adhesive
- Diagnostic tests & monitors
- First aid supplies
- Insulin & diabetic supplies
- Ostomy products
- Reading glasses
- Wheelchairs, walkers & canes

Dependent Day Care FSA

If you are paying for day care for your child who is under the age of 13 OR for a spouse or dependent who is not able to take care of himself or herself, you should consider enrolling in a dependent day care FSA. This account allows you to pay for expenses such as:

- Before and after school programs
- Day care (child & adult)
- Nursery school or preschool
- Summer day camp

Please note, the minimum and maximum amounts you are able to contribute to an FSA are determined by your employer. However, the IRS does set a maximum contribution amount of \$5,000 for a dependent day care FSA.

Quick Tip: [View a listing of eligible expenses](#)
[Go to HealthHub.com > Employee Account Login > Eligible Expense Items](#)

Why should I enroll in an FSA?

An FSA can help reduce your taxes and increase your take-home pay—giving you extra money for the things you really want. Your taxes are reduced because you are not paying federal income or social security taxes on the money placed in an FSA. On average, an FSA could save you between 23-30% in taxes depending on your contribution...so enroll today to start saving!

Annual Salary	Healthcare FSA Annual Contribution	Dependent Day Care FSA Annual Contribution	Savings*
\$30,000	\$1,500	\$0	\$310
\$50,000	\$1,750	\$4,000	\$1,188
\$70,000	\$2,000	\$4,500	\$1,343

*based on 5.65% FICA and 15% federal tax

Getting started is as easy as 1, 2, 3!

1. Decide if you want to enroll in a healthcare FSA, a dependent day care FSA, or both.
2. Determine your contribution amount by reviewing your previous year's expenses and utilize the planning tools available online at HealthHub.com.
3. Calculate your paycheck deductions for each pay period by dividing your annual contribution by the number of pay periods in your plan year (e.g., 12, 24 or 26).