

Important Considerations

Before using your FSA, be sure to check the list of eligible expenses to ensure your expenses qualify for reimbursement.

Uniform Coverage Rules

Health FSA funds are available at the start of the Plan year, even if it exceeds current contributions.

"Use-It or Lose-it" Rule

IRS regulations require that all money contributed to Health Care and Dependent Care FSAs must be used within the plan year. Money not used within the plan year will be forfeited unless the plan includes a carryover or grace period provision. To avoid forfeiture of FSA dollars, consider your contributions carefully and select a conservative amount, based on predictable expenses.

Election Changes

You can only change the amount of your Flexible Spending Account Election during your employer's open enrollment period, unless you experience one of the following events: marriage, divorce, birth or adoption, death in your immediate family, or change in employment status of you and/or your spouse.

To File a Claim for Reimbursement Using Your Benefits Card:

- Use your benefits card at eligible vendors including most pharmacies, doctors' offices, and hospitals
- Swipe the card as you would a credit or debit card (no pin required) and sign for your purchase.
- Your Flexible Spending Account balance will be automatically adjusted.
- Keep all receipts as you may be asked to substantiate your claim; otherwise, your claim will be processed automatically.

"Use-It or Lose-It" Rule: IRS regulations require that all money contributed to a Health and Dependent Care FSAs must be used within the plan year or the funds are forfeited.

Manual Filing for Reimbursement:

As you incur expenses not covered by insurance, you will need to pay at the time of service then submit a claim form along with receipts and/or bills through U.S. mail, CGI Mobile App, fax, or e-mail as follows:

CGI Business Solutions Claims Processing Department

5 Dartmouth Drive, Auburn, NH 03032

E-mail: claims@cgibenefitsgroup.com

Phone: 888-383-0088

Fax: 603-232-9363



Business Solutions

This booklet is intended to provide information only. In all cases the Employer Flexible Spending Account Plan Document provides more complete information on this benefit. ©2020

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Flexible Spending Account Overview

Health Flexible Spending Accounts and
Dependent Care Flexible Spending Accounts

What is a Flexible Spending Account?

- Flexible Spending Accounts (FSAs) are tax-advantaged accounts that allow employees to set aside a portion of their earnings to pay for qualified expenses.
- FSAs are offered through your employer and administered by CGI Business Solutions.
- You can set aside pre-tax dollars from your paycheck to pay for medical, dental, and vision expenses not covered by insurance and/or dependent care expenses.
- FSAs provide you with an important tax advantage, allowing you to lower your taxable income and leave more money in your pocket.
- You may have a Health and/or a Dependent Care FSA, but you may not transfer funds between the two accounts.

How Do FSAs Work?

- Contributing to your Flexible Spending Account is easy. You choose whether to set aside money for health care expenses, dependent care expenses or both.
- Health and Dependent Care FSAs are separate accounts, each with its own annual limit. Generally, the employer limits how much you can contribute to a Health FSA, and Dependent Care FSAs are limited to \$5,000 (\$2,500 if married, filing separately) per plan year.
- Throughout the year, you can use the money in your Health Flexible Spending Account to pay for eligible expenses you incur. If you have a Dependent Care FSA, as you incur dependent care expenses, you can submit those for reimbursement.

Health Flexible Spending Accounts

- A Health FSA lets you pay for certain medical, dental and vision expenses not covered by your insurance plan with pre-tax dollars.
- You may use your Health FSA for your own expenses and those of your spouse and tax-qualified dependent children.
- Money that you now spend on deductibles, co-payments, and other out-of-pocket medical expenses can instead be placed in the Health FSA, pre-tax, and used to pay for these expenses.
- A Health FSA is “use it or lose it.” This means that you must spend the entire account balance by the end of the plan year. Unused funds are forfeited unless the plan includes a carryover or grace period provision.
- Some Health FSAs allow you a grace period after the end of the plan year to spend your remaining funds. Or they may allow you to carryover up to \$640 of your remaining balance into the next plan year. Your plan documents will tell you whether your FSA contains either of these provisions.

Important: If you or your spouse contribute to a Health Savings Account, you are ineligible to contribute to a general purpose Health FSA. You may elect to enroll into a limited-purpose Health FSA which reimburses only dental and vision expenses if offered by the Plan.

Dependent Care Flexible Spending Accounts (DCAP)

- Dependent Care Assistance Programs (also called DCAPs) enable you to set aside tax-free dollars to pay for daycare expenses for dependent children up to age 13.
- You may also use your DCAP for elder care expenses, but only if you claim the individual as a dependent on your tax return.
- You can set aside up to \$5,000 per plan year, or \$2,500 if you are married and filing your taxes separately.
- A DCAP may be used to pay for afterschool care or summer/vacation camp, but it cannot be used to pay for meals or a sleep-over camp.
- DCAPs are not “front-loaded”—you can only spend the dollars after you have contributed them.
- The daycare provider must submit a Social Security or Tax Identification Number in order to be paid from a DCAP.
- You may submit daycare claims for reimbursement or use your debit card to pay for these services if your plan offers a debit card.
- If your daycare needs change during the year, you may change your DCAP election. You must notify your employer as soon as possible if your daycare needs change.
- **Important:** You may participate in a DCAP, even if you or your spouse contribute to a Health Savings Account.