

# Flexible Spending Account



Flexible Spending is a great way to pay your out-of-pocket medical and dependent care expenses with pretax income deducted from your paycheck. Enrollment is required each year.

Two separate accounts are available to provide you with pretax funds for healthcare and dependent care expenses:

- Healthcare Flexible Spending Account (FSA)
- Dependent Care FSA

## HEALTHCARE FSA

The Healthcare FSA allows you to set aside money before taxes are deducted to pay for eligible medical, dental, and vision expenses. For a list of FSA-eligible expenses, sign into [www.dmba.com](http://www.dmba.com), navigate to *My Health*, and under *Flexible Spending* select *FSA Eligibility List*.

The IRS currently allows you to set aside up to \$3,050 per year for eligible expenses. The IRS may announce in October or November a change to the 2024 limit, so you may want to check back here before you finalize your 2024 FSA election. The deadline to finalize your FSA election is December 31, 2023.

## DEPENDENT CARE FSA

Depending on your tax status, you can set aside up to \$5,000 (or \$2,500 if you're married and filing your taxes separately) of your pre-tax income to pay eligible dependent care (daycare) expenses. If you're married, both you and your spouse must work, or your spouse must be a full-time student. Also, the combined contribution for you and your spouse to any or all dependent care FSAs cannot be more than \$5,000 per year.

However, federal tax law requires that participation in the dependent care FSA by participants at all pay levels must be balanced. If you are considered to be "highly compensated," according to IRS guidelines, and there is an imbalance in dependent care FSA participation during the year between highly compensated employees and other (non-highly compensated) employees, your contributions may be reduced and/or refunded. If you are affected, we will notify you.

The IRS requires you to use these funds on someone you claim as a dependent on your income tax return and who is also

- Younger than 13, or
- Physically or mentally incapable of self-care and regularly spends at least eight hours a day in your household. ("Regularly" doesn't mean daily, but frequently, on a regular basis.)



The persons providing the dependent care cannot be

- Claimed as a dependent on your income tax return,
- Claimed as a dependent on your spouse's income tax return,
- Your child or stepchild younger than 19, or
- Your spouse.

The IRS excludes some services, including babysitting services, unless such services allow both you and your spouse to be gainfully employed. Please discuss your situation with your tax adviser if you have any concerns; DMBA personnel cannot provide personalized tax advice.

## AVAILABILITY OF FUNDS

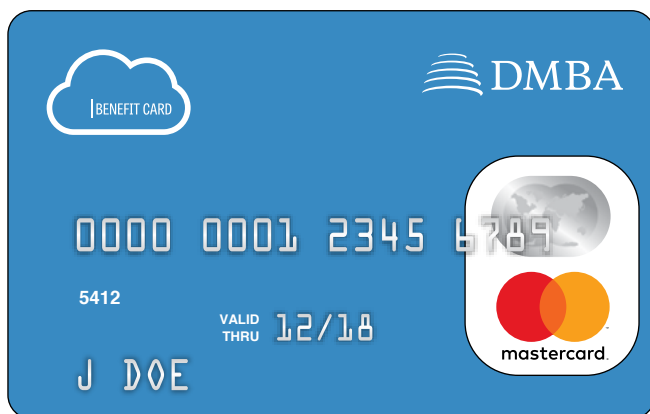
For eligible healthcare expenses, the full amount of your annual healthcare FSA election is available to you on January 1 of the plan year. You can be reimbursed as soon as you have incurred the expenses, regardless of how much money is in your account.

For example, if your annual healthcare FSA election is \$1,200, and if in January you have \$600 in eligible dental expenses, you can be reimbursed \$600 once you submit your claim, even though you haven't deposited \$600 in your account yet.

Your healthcare FSA has a rollover provision that automatically rolls over unused funds from one year to the next year's account. Any unused healthcare FSA funds that roll over are available on April 1 of the following plan year. The IRS will announce the 2024 rollover limit at the end of 2023, but it is anticipated to be \$610.

Regarding your dependent care FSA, you can only be reimbursed from existing money in your account. If your claim exceeds the existing funds in your account, you cannot be reimbursed for the claim until more funds are withheld from your paycheck and deposited into your dependent care account. If you have dependent care FSA funds remaining at the end of the plan year, you will forfeit those funds.

## THE HEALTHCARE FSA CARD



The healthcare FSA benefit card makes it fast and convenient for you to access the money you've set aside in your Healthcare Flexible Spending Account. The card works just like an ordinary debit card but should only be used to pay for eligible expenses. **The card will not work for dependent care FSA expenses.**

Your healthcare FSA benefit card contains the value of your annual election for medical, dental, and vision expenses. Simply present it at participating locations wherever MasterCard is accepted—at the pharmacy, doctor's office, or most other locations where you're incurring eligible expenses. The amount will automatically be deducted from your healthcare FSA, so you do not need to wait to be reimbursed.

When you use your healthcare FSA benefit card, you won't have to complete any claim forms. Plus, you can check balances or account details anytime—online at [www.dmba.com](http://www.dmba.com) or [My.WEXHealthCard.com](http://My.WEXHealthCard.com), or with a quick phone call to DMBA. You can continue submitting your Flexible Spending claims using our online system, or you can submit your claims on paper.

**You should always save itemized receipts for purchases made with your healthcare FSA benefit card. You may be asked to submit some receipts to verify that your expenses comply with IRS and DMBA guidelines. Your itemized receipt must show the patient's name, provider or merchant name, service received or item purchased, and the date and amount of the expense.**

If you plan to use your healthcare FSA benefit card to pay your coinsurance, wait for DMBA to process the claim first and then pay the balance to your healthcare provider. That way discounts can be calculated and applied before you take responsibility for your portion of the expense.

## IMPORTANT ITEMS TO REMEMBER

FSA enrollment does not carry over from year to year. You must re-enroll if you want to participate next year.

The healthcare FSA benefit card is optional. You can let us know during Open Enrollment whether you want to have one for the coming year. You can always access your FSA funds by paying out of pocket and then submitting a claim for reimbursement.

Participants who already have a card will not receive a new one until their current card expires. If you currently have a healthcare FSA benefit card, you must indicate during Open Enrollment that you wish to continue to use it.

## HOW TO ENROLL

You must enroll in 2024 Flexible Spending by December 31, 2023. You can enroll online during Open Enrollment, or use the enrollment form in the *Forms Library* at [www.dmba.com](http://www.dmba.com).

If you want your healthcare FSA benefit card activated by the first of the year, enroll in a healthcare FSA by December 1, 2023, and indicate you want the card by selecting that option on the Open Enrollment FSA page.

*This document provides a brief description of benefits offered under the Deseret Healthcare Employee Benefits Plan ("Plan"). Full details are in the summary plan description and official Plan documents. We have made every effort to accurately describe the benefits and ensure that information given to you is consistent with other benefit-related communications. However, if there is any discrepancy or conflict between the summary plan description and Plan documents and the information in this document, the terms outlined in the summary plan description and Plan documents will govern. To view the summary plan description, log in to [www.dmba.com](http://www.dmba.com). Navigate to My Plans and under Summary Plan Descriptions (Handbooks) select Flexible Spending.*