

# Flexible Spending Accounts (FSA)

## Two Options

### Healthcare FSA

For employees enrolled in the **RGA Traditional plan**, you have access to a Flexible Spending Account (FSA). An FSA allows you to deduct money from your paycheck pre-tax to pay for certain qualified medical, dental, and vision expenses. You are not eligible for the healthcare FSA if you are enrolled on an HDHP plan. You don't have to enroll in one of our medical plans to participate in the healthcare FSA.

### Dependent Care FSA (DCFSA)

If you pay for childcare, you may be eligible to enroll in the Dependent Care FSA. Contribute up to \$7,500 per year (\$3,750 if married and filing separate tax returns), pretax, to pay for day care expenses for elder or child dependents that are necessary for you or your spouse to work or attend school full-time. You cannot use your Health Care FSA to pay for Dependent Care expenses.

## Potential tax savings

Because FSA contributions are pre-tax, they reduce the total amount of your income the government makes you pay taxes on. Tax savings vary depending on filing status and other variables

## How the Healthcare FSA works:

- You estimate what your and your dependents' out-of-pocket costs will be for the coming year. Think about what out-of-pocket costs you expect to have for eligible expenses such as office visits, surgery, dental and vision expenses, prescriptions, and certain drugstore items.
- You can contribute up to \$3,400, the annual limit set by the IRS. Contributions are deducted from your pay pre-tax, meaning no federal or state tax on that amount.
- During the year, you can use your FSA debit card to pay for services and products. Withdrawals are tax-free as long as they're for eligible healthcare expenses.

### USE IT OR LOSE IT!

Estimate carefully. You can't change your contribution amount mid-year without a qualifying reason. You have 90 days from the last day of the plan year to submit claims. Any unused funds over \$500 at the end of the year will be forfeited after the 90-day run out period.

