

FLEXIBLE SPENDING ACCOUNTS



HEALTH FSA LIMITS FOR 2024

The maximum Health Flexible Spending Account (FSA) contribution limit is \$3,200 for calendar year 2024. The allowable amount of carry-over for FSA plans that have adopted a carry-over provision has been increased to \$640 effective for the 2024 year.

The Dependent Care FSA (DCFSA) maximum annual contribution limit did not change for 2024. It remains at \$5,000 per household or \$2,500 if married, filing separately.

FLEXIBLE SPENDING ACCOUNTS (FSA)

Allows you to set aside contributions through payroll deductions into an account before paying income taxes. Flexible Spending Accounts allow you to pay out-of-pocket expenses for medical, dental and vision and work-related daycare expenses with tax-free income. By avoiding federal and FICA taxes, most participants can save up to 40% on their expenses. During the year, you have access to this account for reimbursement of expenses you regularly pay such as out-of-pocket healthcare copays and daycare fees. You must select the amount you wish to have deducted each plan year. (July 1 through June 30). There are two types of FSA's.

Medical Flexible Spending Account for Healthcare Reimbursement \$\$\$

The WPSD account allows you to set aside an annual minimum amount of \$350 and a maximum of \$3,200 during open enrollment or as a new hire.

The money will not be taxable income to you and can offset the cost of a wide variety of health-related expenses incurred by you or your qualified dependents covered under medical or dental insurance plans.

A sample list of qualified expenses for reimbursements includes, but are not limited to, the following:



Ambulance Service (unreimbursed)	Hearing aids and exams
Birth control pills	Injections & vaccinations
Chiropractic Care	Nursing services
Contact lenses/Eyeglasses	Optometrist fees
Dental Fees	Orthodontic fees
Diagnostic tests / health screenings	Prescription drugs
Drug / Alcohol Addiction Treatment	Surgery
Experimental Medical Treatment	X-rays

FLEXIBLE SPENDING ACCOUNTS (continued)



Dependent Care Flexible Spending Account for Dependent Care Reimbursement \$\$\$

This account reimburses you for day care expenses incurred while you are working up to \$5,000 a year for single taxpayers and married couples filing jointly, or \$2,500 for married people filing separately.

Married couples have a combined \$5,000 limit, even if each has access to a separate DC-FSA through his or her employer.

ENROLLMENT REGULATIONS

You may enroll in a Health Care or Dependent Care FSA during the open enrollment or new hire period **ONLY**.

- You cannot transfer money between FSA's
- You cannot pay a dependent care expense from your Health Care FSA or vice versa.
- You cannot deduct reimbursed expenses for income tax purposes
- You will not be reimbursed for a service, which you have not received.
- You may not receive insurance benefits or any other compensation for expenses which are reimbursed through your FSA's
- You have a 90-day grace period at the end of the plan year to claim reimbursement for eligible expenses incurred during the plan coverage period July 1 – June 30.

Information for Flexible Spending accounts is available on the William Penn School District website under staff access www.williampensd.org at the provider's website www.benefitresources.com where you can refer to the Flexible Spending Accounts guide provided by Benefit Resource, Inc. for information about IRS approved accounts and eligible medical and dependent care expenses.

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