

Flexible Spending (benefit) Accounts (FSA)

Optional Pre-Tax Benefit

Flexible Spending (benefit) Accounts (FSA) let you sock away pretax dollars for future medical and dependent care costs. FSA is not the same as the Reimbursable Deductible Allowance (RDA) benefit. The RDA benefit is an automatic benefit that offers \$500 (individual) back to participants enrolled in the group medical plan. FSA is an optional benefit that requires employees to contribute money into the account each pay period (24 pay periods only).

FSA's pay off when it comes to your taxes. *Example- If you make \$2,000 a month and designate \$100 a month to your FSA you are taxed as if your income were \$1,900 for the month. Over a year, your taxable income is \$1,200 less than it would have been, and that \$1,200 is in your medical or dependent care savings account instead. While your specific savings will depend on your tax bracket, someone in the 25% tax bracket will have saved \$300 ($\$1,200 \times .25$) in taxes, meaning it ultimately cost \$900 to save the \$1,200 in the FSA.*

Determining how much money to put into your FSA requires a calculated assessment as the funds in **FSA accounts do not roll over** if you don't use them prior to the end of the calendar year. Any unused funds get absorbed back into the company's fund.

Your FSA account will come with a debit card loaded with your funds to use for payment. Flexible spending accounts will let you spend up to your designated amount for the year even if the money hasn't been deducted from your paycheck. *Note: Employees participating in FSA accounts should keep track of what you're using the funds on because you may still have to verify expenses by submitting receipts.*

Health Care FSA

- You can contribute pretax dollars from your paycheck, up to the Internal Revenue Service (IRS) limits
- Your full contribution is available at the start of the plan year to pay for eligible health care expenses
- FSA covers you, your spouse and/or your tax dependents
 - Employees/Spouses/Dependents are not required to be covered by the group medical plan to be eligible for FSA. However, anyone covered under another Health Savings Account (HSA) is ineligible
- Examples of FSA Covered Expenses:
 - Copays, coinsurance and deductibles (not reimbursed through the RDA benefit)
 - Dental expenses like orthodontia, crowns and bridges
 - Vision expenses like LASIK eye surgery, glasses and contacts
 - Prescription drugs and **over-the-counter (OTC) items** (OTC items were included in 2020)

Dependent Care FSA

- You can contribute pretax dollars from your paycheck, up to the IRS limit
- Funds are for your dependent(s) age twelve or younger, or a spouse or dependent incapable of self-care
- Pays for eligible child and adult care expenses, such as day care preschool and nursery school, in-home aid and more

Using FSA Funds

- Use your FSA account debit card
 - When you use the debit card your expense is automatically paid from your FSA
 - If charges exceed the balance of your account, your debit card will be declined and you will need to pay out of pocket and submit a paper claim for reimbursement (see next bullet point)
- Pay for eligible expenses with cash, a check or your personal credit card
 - Submit a claim to GBS to receive a reimbursement
 - For speed, have your claims payment deposited directly into your checking or savings account

Employees must complete the attached FSA enrollment form in order to participate in a Flexible Spending (benefit) Account (FSA)



"Plaza Towers Building"
1736 E. Sunshine Ste 200
Springfield, MO. 65804
417-883-8088 or 800-995-3569
www.gbs-tpa.com

Optional

Pre-Tax
Reimbursement Benefit

Adair County Government

2023 Flexible Benefit Plan Enrollment Form

Employee Name (Last, First, M.I.) :				
Address:				
City:		State:	Zip:	Social Security Number:
Date of Birth:	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Single <input type="checkbox"/> Married	Spouse Name:	Phone:

I want to enroll in the reimbursement sections. ☐ Yes (fill out Worksheet below) ☐ No

The IRS regulation states four conditions such as:

1. Any expenses you incur must be within the plan year.
2. Any expenses you incur must not be covered by any other source such as insurance.
3. You must provide proper documentation in order to receive payment
4. You cannot elect, change or revoke your election during the plan year unless there is a specific change in status and your employer allows such changes.

NOTE: Enrolling may have a minor effect on your social security and or retirement benefits. Please seek appropriate advice.

Healthcare Reimbursement Worksheet. I request the following amounts to be deducted pretax:

	Plan Year Total		# of Paychecks		\$ per Pay Check
Medical Care Reimbursement: (Maximum \$3,050.00)	_____ ÷		24	=	_____
Dependent Care Reimbursement: (Maximum \$5,000.00)	_____ ÷		24	=	_____
Totals:	_____ ÷		24	=	_____

☐ I want to elect the EFT (Automatic Deposits/ACH Credits) option for reimbursement.

**This option requires completion of the form, Authorization Agreement For EFT*

Signature: _____ Date: _____