

# FSA Quick Start Guide

An easy way to save money and pay for health and dependent care

Believe it or not, there is a way to save money while paying for health care and dependent care expenses. This tax-advantaged account is being offered by your employer as part of your organization's benefit plan.

## What's an FSA?

An FSA is a tax-advantaged plan that works with your health plan. Contributions are deducted in equal installments throughout the year from your paycheck, so there's no extra work on your part. That means more money in your pocket. There are two types of FSAs that your employer may offer:

- **Medical FSA** — This type of FSA allows you to pay for eligible expenses that are not covered by the health plan, such as deductibles, coinsurance, dental care, orthodontia and vision care. The total amount you choose to contribute is available to you on the first day of the plan year, even if you have not actually contributed that much yet.
- **Dependent Care FSA** — This type of FSA allows you to pay for day care expenses for your children or adult dependents. With a dependent care FSA, the money must be in your account before you can request reimbursement.

## Here's how your FSA works with your health plan:

- You enroll in your employer-sponsored FSA.
- You contribute to the FSA throughout the year through automatic payroll deductions. Contribute only what you think you'll need, because any money left at the end of the year may be forfeited back to your employer.
- As you incur expenses toward your health plan deductible and out-of-pocket maximum during the year, you can use the money in the FSA to pay for your portion of these expenses.

## Getting Started

1. **Determine how much to contribute to your FSA** Estimate how much you might have in expenses for the coming year, but estimate conservatively because you cannot change your election during the year. And, if you don't use the money in your FSA by the end of the year, you may lose that money. Once you decide how much to contribute to your Medical FSA and/or Dependent Care FSA, the money is deducted in equal parts from your paycheck throughout the year.
2. **Make your election** Check with your employer to find out how to enroll in the FSA and notify them of your election amount.
3. **Register with [www.SelectAccount.com](http://www.SelectAccount.com)** Manage your FSA online and register for time-saving, optional account features like direct deposit.

## Help. When and where you need it.

Visit [www.SelectAccount.com](http://www.SelectAccount.com) to manage your account anytime, any place.

If you want to talk to a real person, call our specially trained customer service team at **(651) 662-5065** in the Twin Cities metro area or toll-free **1-800-859-2144**.



**SelectAccount** is one of the country's leading medical savings administrators. Our products not only help account holders save wisely for health-related expenses, but also provide them with the tools they need to be smarter health care consumers.

SelectAccount has over 25 years of experience in health care financing and what's more, our account holders consistently give us a satisfaction rating of over 95 percent.

## How much should you contribute?

When deciding how much to contribute to your FSA, consider the following questions:

- Do you expect to have medical, dental, or vision expenses that are not fully covered by insurance?
- Do you, your spouse, or your eligible tax dependents have an ongoing condition that requires expensive medication or frequent visits to a physician?
- Do you, your spouse or eligible tax dependents need prescription eyeglasses, sunglasses, contact lenses and/or lens solution?
- Do you pay for day care for your children or adult dependents?

Remember, be conservative in your estimates because money left in your account at the end of the year may be forfeited unless your employer allows FSA rollover or a grace period.

## FSA Eligible and Ineligible

### Medical and Dependent Expenses

#### Eligible

Use the money in your FSA to pay for eligible medical expenses like:

- Health plan copays and deductibles
- Prescription drugs
- Vision and dental care expenses
- Over-the-counter medical supplies
- Over-the-counter medications with a valid prescription
- Orthodontia

Use your Dependent Care FSA to pay for:

- Licensed day care facilities
- Preschool programs
- After-school programs
- In-home child and dependent care services
- Elder care
- Special day camp expenses

#### Ineligible

You cannot use your FSA to pay for medical expenses like:

- Toiletries
- Cosmetic surgery and procedures
- Diaper service
- Funeral expenses
- Medical bill late fees
- Travel for general health improvement

You cannot use your Dependent Care FSA to pay for:

- Overnight camp
- Kindergarten tuition
- Lunches and food items
- Education programs
- Activity fees

Eligible expenses are determined by the Internal Revenue Service. Certain expenses are potentially eligible and require a prescription or letter of medical necessity. To learn more, visit [www.SelectAccount.com](http://www.SelectAccount.com) or [www.irs.gov](http://www.irs.gov).