



# Limited-Purpose Flexible Spending Account

The Limited-Purpose FSA works hand-in-hand with the [Health Savings Account \(HSA\) \(/savings-retirement/health-savings-account-hsa/\)](#), but can only be used for qualified dental and vision expenses. All qualified medical and prescription drug expenses can be paid through your HSA or out of pocket.

- The Limited-Purpose FSA is administered by PayFlex.
- A debit card will be issued to pay for eligible expenses at the point of service.
- A [Dependent Care FSA \(/health-wellness-insurance/flexible-spending-accounts/dependent-care-fsa/\)](#) is available for child day care and elder care expenses.

**NOTE:** Puerto Rico team members are not eligible to participate in the Limited-Purpose Health Care and/or Dependent Care Flexible Spending Accounts.

## How You Save

To get your savings, determine in advance how much you'll spend on these everyday items, then deposit money every paycheck into your account.

MINIMUM ANNUAL CONTRIBUTION	MAXIMUM ANNUAL CONTRIBUTION
\$100	\$2,600

## Plan Ahead

- **Look over your annual expenses.** What do you expect to spend between this July and next June on eligible dental and vision expenses? Eligible expenses include:
  - Your deductibles
  - Copays for dental or vision care visits
  - Your share of covered expenses
  - Orthodontia and dental expenses
  - Prescription eyeglasses
  - Contact Lenses and cleaning solution
  - Laser vision correction
- **Use it or lose it.** The IRS requires that any money left over in your Flexible Spending Account at the end of the policy year be forfeited, so plan accordingly.

## Saving is Automatic

Once you enroll, your contributions are deducted from your paycheck in equal installments throughout the year before taxes are withheld.

The exact amount of your savings depends on your tax rate. Say you contribute \$2,000 to the Limited-Purpose Flexible Spending Account, file taxes as a single person and make \$40,000 - you'd save about \$500 in taxes.

## Get Reimbursed

- **Use your FSA debit card.** Most dentists, optometrists and vision care centers accept debit and credit cards.
  - When you get a bill, provide your debit card number.
  - Submit your receipts to [Payflex \(http://www.payflex.com/\)](http://www.payflex.com/) for verification within 60 days of the expense or your card will be deactivated.
- **File a claim, and wait for reimbursement.** If you can't use the debit card, you'll be reimbursed by PayFlex.
  - When you get a bill, pay it out of your pocket.
  - Submit a claim to PayFlex (fax, online or mail)
  - A check will be mailed to you or deposited directly into your bank account.
  - Submit your receipts to [Payflex \(http://www.payflex.com/\)](http://www.payflex.com/) for verification (fax, online or mail).

The plan year for the Flexible Spending Accounts is July 1 through June 30 but you have an additional three months—until September 30—to submit your receipts for reimbursement.

## Health Savings Account vs. Limited-Purpose Flexible Spending Account

Here are some important differences between the accounts:

	HEALTH SAVINGS ACCOUNT (HSA)	LIMITED-PURPOSE FLEXIBLE SPENDING ACCOUNT
Savings for TODAY	<p>Roll over what you don't use.</p> <p>The money in your HSA is yours, so it's OK if you don't estimate perfectly. Your balance rolls over year after year. If you're not sure if you'll have surgery this year or next, start saving for it now. Your account will earn interest while you wait.</p>	<p>Plan carefully. You only have 12 months (from this July 1 to June 30 of next year) to spend your money.</p> <p>FSA's are great for saving money on predictable expenses. If you're not sure what your needs are, be conservative about how much you save in your account. Remember, it's use it or lose it.</p>
Savings for TOMORROW	<p>Grow your account over time.</p> <p>Because the HSA is always yours, you can save now for future medical expenses.</p>	<p>Consider other savings accounts.</p> <p>The Limited-Purpose FSA is intended for eligible dental and vision expenses within a one-year period.</p> <p>If you know your child will need braces in a few years, start saving in your own bank account or consider participating in the HSA instead!</p>

## Important Rules

- **12 months to use your money.** The plan year for the Flexible Spending Accounts is July 1 through June 30. Keep this in mind when you determine your contribution amount for the year. You have an additional three months—until September 30—to submit your receipts for reimbursement of expenses incurred during the plan year.
- **Save your receipts!** When you use the debit card for your Limited-Purpose Flexible Spending Account, you still need to submit your receipts for verification. If you don't submit your receipts within 60 days, your card will be deactivated.
- **Eligible expenses.** For more detailed plan information and a list of eligible and ineligible expenses, see the [Flexible Spending Accounts Summary Plan Description \(SPD\) \(/contacts-tools-resources/spdlegal-notices/\)](#). In addition, IRS Publication 502 ("Medical and Dental Expenses") provides general guidance regarding health care expenses eligible for reimbursement; IRS Publication 503 ("Child and Dependent Care Expenses") contains a detailed explanation of eligible and ineligible dependent care expenses. These publications are available on the [IRS website \(http://www.irs.gov/\)](http://www.irs.gov/) or by calling the IRS at 1-800-829-FORM (3676).
- **Possible smaller tax savings.** If you are considered a highly paid team member, maximums may be lowered after enrollment.
- **Claims after you leave the Company, no longer participate or become ineligible for the FSA.** For all eligible expenses incurred through the date your employment ends, the date you no longer participate or the date you are no longer eligible, please submit claims by September 30th following the end of the current plan year. You can be reimbursed only up to the total amount you elected to contribute, minus amounts already paid to you. Any unused balance remaining in your account after all claims have been submitted will be forfeited.
- **Using your Limited-Purpose FSA debit card.** The Limited-Purpose FSA debit card is for active team members only and can't be used if you terminate employment. The Limited-Purpose FSA debit card is not available under COBRA.

## For Complete Plan Details

[See the plan SPDs \(/contacts-tools-resources/spdlegal-notices/\) \(http://www.rusbenefits.com/contacts-and-resources/spd-legal-notices\)](#)

The information on this site does not supersede plan documents. If any information on this site conflicts, the plan documents will control in all cases. For more information see full disclaimer. © 2018 Geoffrey, LLC. All Rights Reserved.