2017 Flexible Spending Accounts Reference Guide
Pennsylvania’s State System of Higher Education
Pennsylvania’s State System of Higher Education (State System)
Flexible Spending Account Guide

Important Dates to Remember
Your Open Enrollment dates are:
October 17, 2016 through November 18, 2016.

Your Period of Coverage dates are:

What is an FSA?
An FSA is a special account that lets you set aside money for eligible expenses. The money you put into your FSA is taken out of your paycheck before-tax. That means you’ll enjoy a tax savings. You can use the account throughout the year to get reimbursed for eligible health care and dependent care expenses.

There are two types of FSAs:
The Health Care FSA is used to pay for eligible out-of-pocket medical expenses not paid by insurance.

The Dependent Care FSA is used to pay for eligible child or elder care expenses including daycare, before/after-school care and summer day camp.

Not only are your Health Care FSA funds available to you in one lump sum at the beginning of your plan year, but your FSA funds are deducted before federal and state taxes are calculated on your paycheck. Dependent Care reimbursement FSA funds are only available as they are deducted from your paycheck.

With either FSA, you benefit from having less **taxable** income in each of your paychecks, which means more **spendable** income to use toward your eligible medical and dependent care expenses.

Once you decide how much to contribute to your Health Care and/or Dependent Care FSA, the amount is deducted in small, equal amounts from your paychecks during the plan year.

**Annual Contribution Limits:**
Health Care FSA – Maximum Annual Contribution $2,500

Dependent Care FSA –
The maximum contribution depends on your tax filing status.
- If you are married and filing separately, your maximum annual contribution is $2,500.
- If you are single and head of household, your maximum annual contribution is $5,000.
- If you are married and filing jointly, your maximum annual contribution is $5,000.
- If either you or your spouse earn less than $5,000 a year, your maximum annual contribution is equal to the lower of the two incomes.
- If your spouse is a full-time student or incapable of self-care, your maximum annual contribution is $3,000 a year for one dependent and $5,000 a year for two or more dependents.

*There is no minimum contribution for either account.*
Health Care Flexible Spending Account

A Health Care FSA is used to pay for eligible medical expenses which aren't covered by your insurance or other plan. These expenses can be incurred by yourself, your spouse, a qualifying child or relative. An eligible child of divorced parents is treated as a dependent of both, so either or both parents can establish a Health Care FSA.

Once you sign up for a Health Care FSA and decide how much to contribute, the maximum annual amount of reimbursement for eligible health care expenses will be available throughout your period of coverage.

Typical Health Care FSA eligible expenses

You can use your FSA to save on hundreds of products and services for you and your family. Eligible expenses are defined by the IRS and your employer. For details and examples of eligible expenses, http://www.spendingaccounts.info.

Eligible Medical Expenses*

Typically, your Health Care FSA covers:

- Acupuncture
- Ambulance service
- Birth control pills and devices
- Breast pumps
- Chiropractic care
- Contact lenses (corrective)
- Dental fees
- Diagnostic tests/health screening
- Doctor fees
- Drug addiction/alcoholism treatment
- Drugs (prescription)
- Eyeglasses
- Guide dogs
- Hearing aids and exams
- In vitro fertilization
- Injections and vaccinations
- Nursing services
- Optometrist fees
- Orthodontic treatment
- Over-the-counter items (some require prescription)
- Prescription drugs to alleviate nicotine withdrawal symptoms
- Smoking cessation programs/treatments
- Surgery
- Transportation for medical care
- Weight-loss programs/meetings
- Wheelchairs
- X-rays

Note: Budget conservatively. Only $500 of unused funds can rollover into the next plan year.

* IRS-qualified expenses are subject to federal regulatory change at any time during a tax year. Certain other substantiation requirements and restrictions may apply, and will be supplied to you following enrollment.

Important Health Care FSA Notes:

You can carryover up to $500 of your unused Health Care FSA balance remaining at the end of the current plan year and the funds can be used during the following calendar year.

You have a three month run-out period (ending March 31) after your plan year ends to submit reimbursement requests for all eligible FSA expenses incurred DURING your previous plan year.

Health Care FSA Ineligible Expenses

- Insurance premiums
- Vision warranties and service contracts and
- Cosmetic surgery not deemed medically necessary to alleviate, mitigate or prevent a medical condition.

HSA Reminder

A health savings account (HSA) is available to an eligible individual who has high deductible health coverage as long as the individual has no other impermissible health coverage. A general purpose FSA is impermissible and renders an individual ineligible to make contributions to an HSA even when it’s their spouse enrolled in a general purpose FSA. The State System does not offer an HSA plan but if your spouse is enrolled in an HSA plan offered by their employer, this may impact your FSA enrollment.

Examples of how to use your Health Care FSA

Paying an office visit co-payment -

After paying your co-payment at a service provider’s office, obtain an Explanation of Benefits (EOB) or detailed receipt of the completed services. Submit these documents, along with a claim form to WageWorks. WageWorks will process your request and mail your reimbursement check to you or direct deposit your funds into the account of your choice. Or, you may have the ability to use your WageWorks Spending Account Card, and have instant access to your medical reimbursement funds (see Page 9 for more information on the WageWorks Spending Account Card).
Dependent Care Flexible Spending Account

The Dependent Care FSA is a great way to pay for eligible dependent care expenses such as after school care, babysitting fees, day care services, nursery and preschool. Eligible dependents include your qualifying child, spouse and/or relative.

Once you sign up for a Dependent Care FSA and decide how much to contribute, the funds available to you depend on the actual funds in your account. Unlike a Health Care FSA, the entire maximum annual amount is not available during the plan year, but rather after your payroll deductions are received.

**Important Dependent Care FSA Notes:**

Under the Dependent Care FSA you are subject to the “Use It or Lose It” provision which required any leftover balance in a Dependent Care FSA to be forfeited at the end of the plan year.

You have a three month run-out period (ending March 31) after your plan year ends to submit reimbursement requests for all eligible FSA expenses incurred DURING your plan year.

**Typical Dependent Care FSA eligible expenses**

Eligible expenses are defined by the IRS and your employer. For details and examples of eligible expenses, [http://www.spendingaccounts.info](http://www.spendingaccounts.info).

**Eligible Dependent Care Expenses**

*Your Dependent Care FSA covers these types of expenses for your eligible dependents while you work:*

- After school care
- Babysitting fees
- Day care services
- In-home care/au pair services
- Nursery and pre-school
- Summer day camps

**Note:** Budget conservatively. No reimbursement or refund of FSA funds is available for services that do not occur within your plan year.

* IRS-qualified expenses are subject to federal regulatory change at any time during a tax year. Certain other substantiation requirements and restrictions may apply, and will be supplied to you following enrollment.

**Dependent Care FSA Ineligible Expenses**

- Books and supplies
- Child support payments or child care if you are a non-custodial parent
- Health care or educational tuition costs and
- Services provided by your dependent, your spouse’s dependent or your child who is under age 19.

**Note:** You may use your Dependent Care FSA to receive reimbursement for eligible dependent care expenses for qualifying individuals, which includes a tax dependent 12 years or younger, or a spouse or other tax dependent of any age who is physically and/or mentally incapable of self-care. Only the custodial parent of divorced parents can be reimbursed using a Dependent Care FSA.

**Examples of how to use your Dependent Care FSA**

Paying for day care services

Once you have paid for your child’s day care service, send a completed claim form to WageWorks, along with documentation showing the following:

- **Provider Name** – Facility name or person who provided the service.
- **Dates of Service** – Service start and end date for services provided.
- **Service Description** – Detailed description for services provided.
- **Amount** – The amount incurred for the services.
- **Dependent Name** – Person who received the service.
- **Provider Tax-ID** – Tax ID of the provider
Accessing Your Online Account

WageWorks Website [https://myspendingaccount.adp.com](https://myspendingaccount.adp.com)

**Accessing your account for the first time**
Navigate to [https://myspendingaccount.adp.com](https://myspendingaccount.adp.com)

Click “New Users – Register Here”

Enter your First/Last Name, Date of Birth, and Social Security Number (Or alternate ID, which is your State System employee personnel number)

Create a user ID and Password

**View your account information, submit/verify claims**
Navigate to [https://myspendingaccount.adp.com](https://myspendingaccount.adp.com)

Enter your Username and Password

**Forgot Username and/or Password**
Navigate to [https://myspendingaccount.adp.com](https://myspendingaccount.adp.com)

Click ‘Forgot your password?’ Link
Enter your User Name exactly as you entered it when you registered. The system will ask you for the answers to your security questions to validate you to the system.

Click ‘Forgot your user name? Link
Provide all your demographic information exactly as you entered it when you registered. If you are entering a Social Security Number, do not use dashes. For example, 123456789. Or Alternate ID, which is your State System employee personnel number.
Additional Plan Information

Who is Eligible?
You are eligible if you are a full-time permanent employee, including temporary faculty employed for a one-academic-year contract, or a part-time permanent employee, including temporary faculty employed for a one-academic-year contract, who works 50 percent of the time.

Can a Domestic Partner’s medical expenses be reimbursed?
An FSA account can only be used to pay expenses of a qualifying child or qualifying relative (as such terms are defined in Internal Revenue Code Section 152).

At this time, a domestic partner is not considered a spouse under federal law, so a domestic partner’s medical expenses cannot be reimbursed under a health FSA unless the domestic partner is a “qualifying relative” of the participant. A qualifying spouse must be legally married.

Termination of Employment
If your employment with the State System terminates, you may submit claims against the balance in your Health Care FSA for qualified expenses incurred prior to your termination date. Reimbursements from your Health Care FSA will not be permitted for expenses incurred after your termination, unless you have elected COBRA continuation coverage. You are eligible for COBRA continuation coverage provided you have a positive account balance at the time of your termination. If you have money left over in a dependent care account, you may continue to submit claims for qualified expenses that were incurred both prior to and following your termination date, to the extent that the expenses are incurred prior to the end of the plan year. Note that for both medical and dependent care accounts, you have until March 31 of the following year to complete the claims paperwork and submit qualifying claims for reimbursement.

When Coverage Ends
Your contributions to the FSAs will cease when the earliest of the following occur:
• Your employment with the State System terminates;*
• The State System terminates the Health Care FSA and/or the Dependent Care FSA;
• You revoke your elections to participate after a qualifying change in status.

* Your contributions to the Health Care FSA may be continued if you make a COBRA election to continue making after-tax contributions for the remainder of the year in which your employment terminates. You may not make after-tax contributions to the Dependent Care FSA after you terminate, even if you elect COBRA continuation coverage.

For Health Care FSAs: If you cease making contributions during the year due to a change in status, you may continue to submit claims for eligible expenses incurred during the calendar year until March 31 of the following year. See section Changing Your Coverage of this document for changes in status that allow you to make mid-year election changes. All charges for reimbursable expenses must be incurred before you elect to stop making contributions to the accounts.

What is use-it-or-lose-it?
Because FSAs have tax benefits, the IRS places guidelines on them. As a general rule, any funds left in your account at the end of the plan year cannot be rolled over to the next year or paid out to you to reimburse you for eligible expenses you incur after the end of the plan year. So plan carefully when determining how much you want to contribute.

The IRS does allow employers to offer a $500 carryover for the Health Care FSA, which the State System offers. The Dependent Care FSA does not offer a carryover.

What is a run-out period?
You have a three month run-out period (ending March 31) after your plan year ends to submit reimbursement requests for all eligible FSA expenses incurred DURING your plan year.

When can I access my carryover funds?
Carryover amounts will be available at the beginning of February 2017. Any amount under $500 will be moved into a 2017 health care carryover account. Any amount over $500 will remain in the 2016 health care account until the end of the run-out period on March 31, 2017. Once the run-out period is over the remaining funds in the 2016 health care account will be forfeited.

For more information, view the carryover section on the following page.

Direct Deposit – Get your money back faster
Direct Deposit delivers your money to you faster, and unlike with a check, the funds are in your account automatically – no waiting in bank or ATM lines, no waiting for it to clear. You will have the opportunity to elect Direct Deposit reimbursements when setting up your profile at https://myspendingaccount.adp.com.

Please note the bank information entered will be sent to the bank to confirm the account number. Any reimbursements issued during this prenote process will be issued as a check until this process has been completed.


How do I enroll?
Enroll in an FSA during the open enrollment period. Once you have determined your annual FSA election, your employer deducts the amount from your pay in equal amounts throughout the year, before taxes.

Note: Even if you enrolled last year, you must enroll again this year. However, you do not need to elect a current year Health Care FSA for your money to carryover.

How do I use my FSA?
When you enroll in a Health Care FSA, you will automatically receive a WageWorks Spending Account Card.

The Spending Account Card:
• Used to pay for eligible health care purchases directly from your FSA
• Reduces the number of reimbursement claims to file
• Gives you immediate access to health care FSA funds

Note: The card is not available for dependent care FSAs.

For dependent care FSA claims, pay for an eligible expense out of your pocket, fax, mail, or submit online a reimbursement request along with a receipt for the expense to WageWorks. WageWorks then processes your request and promptly reimburses you through direct deposit or by check. All FSA participants will also have access to a secure website to view up-to-date account information.

HSA Reminder
A health savings account (HSA) is available to an eligible individual who has high deductible health coverage as long as the individual has no other impermissible health coverage. A general purpose FSA is impermissible and renders an individual ineligible to make contributions to an HSA even when it’s their spouse enrolled in a general purpose FSA. The State System does not offer an HSA plan but if your spouse is enrolled in an HSA plan offered by their employer, this may impact your FSA enrollment.

Where can I learn more?
Visit www.SpendingAccounts.info for more information about flexible spending accounts, including a list of eligible expenses and an interactive contribution and tax savings calculator. To speak with an FSA specialist, call 1-800-228-5762 or visit the State System website at: http://www.passhe.edu/inside/hr/syshr/Pages/fsa.aspx

To view more FAQs, see the FAQ section on the State System website at: http://www.passhe.edu/inside/hr/syshr/Pages/fsa_faq.aspx

Carryover Information
The IRS allows employers to offer a $500 carryover provision for a Health Care FSA plan, which permits participants to rollover up to $500 in unused FSA funds to the following calendar year. Any remaining balances which exceed $500 will be forfeited. The State System offers a $500 carryover for the Health Care FSA. The Dependent Care however, must be used DURING the plan year or money is forfeited.

Accessing Carryover Funds
Carryover amounts will be available at the beginning of February 2017. Any amount under $500 will be moved into a 2017 health care carryover account. Any amount over $500 will remain in the 2016 health care account until the end of the run-out period on March 31, 2017. You have until March 31, 2017 to submit expenses that incurred DURING the 2016 plan year. Once the run-out period is over the remaining funds in the 2016 health care account will be forfeited.

Using your Spending Account Card
Any eligible expenses paid with your spending account card will be deducted from your 2017 Health Care FSA first and then your 2017 Health Care Carryover account second.

Incurring health care expenses to use against the carryover
If you elect a 2017 Health Care FSA, your current plan year expenses will be deducted from the 2017 Health Care FSA first. Once you have used your entire election amount from 2017, any additional expenses incurred are deducted from your remaining 2017 Health Care Carryover balance.

If you do not have a current plan year election, you will need to wait until after carryover has occurred (February) to submit for reimbursement. You do not need to elect a current year Health Care FSA for your money to carryover, however you will not be able to access your funds until February when the carryover has occurred.
COBRA Continuation Coverage

What is continuation coverage?
Federal law requires that most group health plans, including Health Care FSAs, give employees and their families the opportunity to continue their health care coverage when there is a “qualifying event” that would result in a loss of coverage under an employer’s plan.

How long will continuation coverage last?
If you fund your Health Care FSA entirely, you may continue your Health Care FSA (on a post-tax basis) only for the remainder of the plan year in which your qualifying event occurs, if you have not already received, as reimbursement, the maximum benefit available under the Health Care FSA for the year. For example, if you elected a Health Care FSA benefit of $1,000 for the plan year and have received only $200 in reimbursement, you may continue your Health Care FSA for the remainder of the plan year or until such time that you receive the maximum Health Care FSA benefit of $1,000.

For More Information
This COBRA section does not fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available from your employer. You can get a copy of the plan document from the State System. For more information about your COBRA rights, the Health Insurance Portability and Accountability Act (HIPAA) and other laws affecting group health plans, contact the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa

Keep Your Address Updated
In order to protect your family’s rights, you should inform your employer and WageWorks of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to your employer and WageWorks.
### Using Your FSA Dollars

When you pay for an eligible health care or dependent care expense, you want to put your FSA account to work right away. WageWorks gives you several options to use your money the way you choose.

#### Online claims

You can file a claim online to request reimbursement for your eligible expenses.

- Go to [https://myspendingaccount.adp.com](https://myspendingaccount.adp.com), login to your account and click **Online Claim Submission** from the menu.

- Scan receipts, EOBs and other supporting documentation ready for submission.

- Select **submit a claim** then choose the type of claim you would like to submit.

- Fill in all the information requested on the form and click **Find receipt** to attach supporting documentation to your claim.

- Check to **certify** your claim

- Click **submit claim**

**To speed processing, remember to save receipts that show exactly what you paid for, the amount and date of service.**

**If you prefer to submit a paper claim by fax or mail, you can go to [http://www.passhe.edu/inside/hr/syshr/Pages/fsa.aspx](http://www.passhe.edu/inside/hr/syshr/Pages/fsa.aspx) to download a claim form and follow the instructions for submission.**

#### Smartphone claims

- Download and open the My Benefits Center app.

- Enter your **User Name and Password.** (Same as your online login)

- Select **Online Claim Submission**, choose **Health Care or Dependent Care Claim.**

- Follow the step-by-step instructions provided to upload and submit your claim

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### Using your Spending Account Card

Use your WageWorks Spending Account Card instead of cash or credit at health care providers and pharmacies for eligible services, goods and prescriptions. However, because a doctor’s prescription is required for over-the-counter (OTC) drugs and medicines, it may be easier to use another form of payment for OTC items and then submit a claim for repayment afterward. You still will be able to use the card to purchase certain medical items, such as band aids, at qualified merchants. To accept the card, the merchant must have an IRS-qualified system that can automatically verify transactions at checkout. While many of your card transactions will be verified at checkout, you still will need to hold on to your receipts for tax purposes and in case we need to verify the transaction for any reason. For a list of qualified merchants, please visit [www.sigis.com](http://www.sigis.com).

- Be sure to activate your card when you receive it in the mail.

- When you swipe your card at the checkout, choose “credit” (even though it isn’t a credit card).

- Pay for services or purchases on the same day you receive them. If your health plan covers a portion of the cost, make sure you know what amount you need to pay before using the WageWorks Spending Account Card, by presenting your health plan member ID card first, so the merchant can identify your copay or coinsurance amount and ensure the service is submitted to your health care, dental, or vision insurance plan.

- Save your receipts. Even when your card is approved, a detailed receipt may still be requested; you will be notified by email when you log into your account when a card transaction is in need of verification. Must include: Patient Name, Provider Name, Date of Service, Service Rendered, and Amount.

- Mail, fax, or upload receipts online. Be sure to include the communication that requested the validation.

- If you’ve lost or can’t produce a receipt for an expense, your options may range from submitting a substitute receipt to paying back the plan for the amount of the transaction.

- If you use your card at a doctor’s or dentist’s office, you may be asked to submit a receipt for verification. Failure to do so will result in your card being suspended.

- If you lose your card, please call WageWorks immediately to report your missing card and order a new one. You will be responsible for any charges until you report the lost Card.

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You must keep your documentation for a minimum of one year to submit upon request.
WageWorks Spending Account Card

While your WageWorks Spending Account Card and account offer a great deal of convenience, both are regulated by IRS rules that all participants are required to follow. In most instances, you will be able to use your card with little or no inconvenience. There are, however, situations where the card will be declined or you will be required to submit receipts and/or other documentation to verify that the item or service purchased was eligible.

How To...

Use your Card
You can use your card in these ways:

1) For eligible goods and services at health care providers and select pharmacies
2) For eligible over-the-counter (OTC) non-drug items at general merchandise stores (including most drugstores) that have an industry standard (IIAS) inventory and checkout system
3) For prescribed OTC drugs at the pharmacy counter, as long as the drug is dispensed as a valid prescription. In most instances, your card transaction will be verified at checkout, which means you will not have to submit a receipt to WageWorks after the transaction. You are, however, required to keep each receipt for tax purposes, and in the event it is needed for verification.

Before shopping for prescriptions and over-the-counter items, always visit www.sigis.com for a list of merchants that have an IIAS system in place.

Use your Card at the doctor or other health care provider
If you use the card at a health care provider or at a pharmacy that does not have an IIAS system, WageWorks will likely require that you submit a receipt or your health insurance explanation of benefits (EOB) to verify that the transaction was for an eligible health care expense or service.

Verify a Card transaction after the purchase
If WageWorks is unable to determine that your card was used to pay for eligible health care products and services, you will need to take the following action to verify the transaction:

• Log into your account at https://myspendingaccount.adp.com
• Click Card Services from the left navigation bar and select Card Validation.
• Click on the claim you want to validate by selecting the red upload icon next to the claim.
• Select Find Receipts and follow the upload documentation steps.
• Select Submit.

Make sure your receipts meet the requirements for verification
In order for the receipt (or any documentation) to be valid, it must include the five specific pieces of information required by the IRS:

• The patient name
• Provider name
• Date of service
• Type of service
• The amount you were charged or your cost (e.g. your deductible or copay amount or the portion not covered by your insurance)
• For OTC drug prescriptions, the receipt must also include the prescription number. If not included, a copy of the prescription must accompany the receipt instead.

Know when a Card transaction needs to be verified
WageWorks will notify you of any card transactions that require attention by email and when you log into your account.

Quick Tips
Log into your account at https://myspendingaccount.adp.com regularly to see if you have any card transactions in need of verification.

You have 90 days from the date of the transaction to take care of any outstanding unverified purchases. If you do not take action within 90 days:

1. The amount of any outstanding unverified Card transactions may be deducted from your next Pay Me Back claim submission.
2. Your Card will be suspended.

Avoid problems: act quickly to resolve all unverified transactions.
Estimate Your Savings

How much you save depends on how much you spend on health and dependent care, and on your tax situation. For every $100 of eligible expenses, most people will save from $20 to $30 in taxes. To estimate your expenses and see for yourself how your savings can add up, use the FSA Decision Support Tool at:
http://www.spendingaccounts.info/knowledgecenter/

Use the worksheets as a guide to determine how much to deposit in your FSA. Calculate the amount you expect to pay during the plan year for eligible, uninsured out-of-pocket medical and/or dependent care expenses. This calculated amount cannot exceed established IRS and plan limits.

Be conservative in your estimates, since any money remaining in your accounts cannot be returned to you and unused funds in the Health Care FSA over the $500 carryover will be forfeited.

Health Care FSA Worksheet
Estimate your eligible, uninsured out-of-pocket medical expenses for the plan year.

UNINSURED MEDICAL EXPENSES
Health insurance deductibles $____________
Coinsurance or co-payments $____________
Vision care $____________
Dental care $____________
Prescription drugs $____________
Travel costs for medical care $____________
Other eligible expenses $____________
TOTAL $____________
(Remember, your total contributions cannot exceed the plan year limit of $2,500.)

Dependent Care FSA Worksheet
Estimate your eligible dependent care expenses for the plan year. Remember that your calculated amount cannot exceed the calendar year limits established by the IRS.

CHILD CARE EXPENSES
Day care services $____________
In-home care/au pair services $____________
Nursery and preschool $____________
After school care $____________
Summer day camps $____________

ELDER CARE SERVICES
Day care center $____________
In-home care $____________

TOTAL $____________
(Remember, your total contribution cannot exceed IRS limits for the plan year and calendar year.)
Changing Your Coverage

Changing Your FSA Election Amount
Within 60 days of a qualifying event, you must submit a Change in Status (CIS)/Election Form and supporting documentation to your employer. Upon the approval of your election change request, your existing FSA(s) elections will be stopped or modified (as appropriate).

Changes in Status:

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>A change in marital status includes marriage, death of a spouse, divorce or annulment (legal separation is not recognized in all states).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Number of Tax Dependents</td>
<td>A change in number of dependents includes the following: birth, death, adoption and placement for adoption. You can add existing dependents not previously enrolled whenever a dependent gains eligibility as a result of a valid CIS event.</td>
</tr>
<tr>
<td>Change in Status of Employment Affecting Coverage Eligibility</td>
<td>Change in employment status of the employee, or a spouse or dependent of the employee that affects the individual’s eligibility under an employer’s plan, including commencement or termination of employment.</td>
</tr>
<tr>
<td>Gain or Loss of Dependents’ Eligibility Status</td>
<td>An event that causes an employee’s dependent to satisfy or cease to satisfy coverage requirements under an employer’s plan. May include change in age, student, marital, employment or tax dependent status.</td>
</tr>
<tr>
<td>Change in Residence</td>
<td>A change in the place of residence of the employee, spouse or dependent that affects eligibility to be covered under an employer’s plan, including moving out of an HMO service area.</td>
</tr>
</tbody>
</table>

Some Other Permitted Changes:

<table>
<thead>
<tr>
<th>Coverage and Cost Changes:</th>
<th>Your employer’s plans may permit election changes due to cost or coverage changes. You may make a corresponding election change to your Dependent Care FSA benefit whenever you actually switch dependent care providers. However, if a relative (who is related by blood or marriage) provides custodial care for your eligible dependent, you cannot change your salary reduction amount solely on a desire to increase or decrease the amount being paid to that relative.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judgment/Decree/Order:</td>
<td>If a judgment, decree or order from a divorce, legal separation (if recognized by state law), annulment or change in legal custody requires that you provide accident or health coverage for your dependent child (including a foster child who is your dependent), you may change your election to provide coverage for the dependent child. If the order requires that another individual (including your spouse and former spouse) covers the dependent child and provides coverage under that individual’s plan, you may change your election to revoke coverage only for that dependent child and only if the other individual actually provides the coverage.</td>
</tr>
<tr>
<td>Medicare/Medicaid:</td>
<td>Gain or loss of Medicare/Medicaid coverage may trigger a permitted election change.</td>
</tr>
<tr>
<td>Family and Medical Leave Act (FMLA) Leave of Absence</td>
<td>Election changes may be made under the special rules relating to changes in elections by employees taking FMLA leave. Contact your employer for additional information.</td>
</tr>
</tbody>
</table>

1 Does not apply to a Health Care FSA plan.
2 Does not apply to a Dependent Care FSA plan.
Throughout this document, “savings” refers only to tax savings. No part of this document constitutes tax, financial, or legal advice. Please consult your advisor regarding your person situation and whether this is the right program for you.

This document provides general information and is intended only for illustrative purposes to assist you with your FSA. Information provided in this document is subject to change.