



Keep your savings rolling through the year

An FSA gives you tax-advantaged money upfront for your health care needs.

Important Plan Notes

- The FSA plans are an annual election (January 1 - December 31) and must be elected each year. If you are a new employee electing the plan mid-year, the amount elected will be spread out over the remaining pays of the calendar year.
- The State System offers a carryover for the Health Care FSA, which permits participants to rollover a limited amount of unused Health Care FSA funds into the following calendar year (see Carryover Information below). Any remaining balances exceeding the carryover limit will be forfeited. There is no carryover for the Day Care FSA.
- While both plans are considered an FSA, the main difference between the Health Care FSA and the Day Care FSA is how the plan is used.
 - The Health Care FSA is for all of your eligible dependents (**you, your spouse, and your federal tax dependents**) medical, dental, vision, or prescription expenses.
 - The Day Care FSA is for eligible dependents (age 12 and under) **day care, summer camp, or elder care** expenses.
- Your entire election for Health Care FSA is available to you at the beginning of the year to pay for qualifying expenses. The Day Care FSA funds are available to you as you contribute to the plan.

Health Care FSA

Plan for health care expenses.

An Optum Financial Health Care FSA is the smart way to save and pay for IRS eligible health care expenses. It's smart because you can set aside pre-tax dollars in your FSA. Whenever you need to pay out-of-pocket for eligible health care costs, just use your Optum Financial payment card.

For 2024, Health Care FSA contributions are limited to \$3,050.

Lower your taxes

When you contribute to a Health Care FSA, you're setting aside pre-tax dollars. You don't have to pay federal income taxes on the money you put into your account. That means you may actually lower the amount of federal income tax you pay.

Access your funds immediately

The money you choose to put into your FSA is available to you on the first day of your plan year. You don't have to wait until your FSA balance grows to pay for eligible expenses.

The "use it or lose it" rule

The "use it or it lose" rule means you will lose any money left in your account at the end of the plan year. However your health care FSA includes a provision that allows you to carry over a limited dollar amount from one plan year to the next. You will only forfeit dollars if your balance exceeds the allowable carryover after the run out period has ended.

It's your choice. You decide how much to contribute.

With an FSA, you choose how much to contribute. Be sure to plan ahead and create a list of anticipated health care expenses for the coming year.

Expense	Estimated cost
Prescriptions	
• Prescription drugs	\$
Copayments, coinsurance and deductibles	
• Office visit copayments	\$
• Coinsurance payments	\$
• Medical plan deductible	\$
Dental	
• Eligible dental services	\$
• Orthodontist	\$
Vision and hearing	
• Eye exams	\$
• Eyeglasses and contacts	\$
• Hearing aid	\$
• Other expenses	\$
Your total expenses for plan year	\$

You may be able to use your FSA to pay for:

- Alcohol and drug addiction inpatient treatment
- Breast reconstruction surgery following a mastectomy or cancer
- Dental treatment
- Diagnostic tests and devices
- Doctor's visits
- Eye exams
- Eyeglasses and contact lenses
- Fertility enhancements
- Hearing aids and batteries
- (Certain) over-the-counter drugs and medications
- Physical therapy
- Prescriptions
- Smoking cessation programs

You CANNOT use your FSA to pay for:

- Cosmetic surgery
- Diaper service
- Electrolysis or hair removal
- Health club dues
- Teeth whitening
- Toiletries (soap, body lotion)
- Vitamins and nutritional supplements
- Weight loss programs (unless prescribed)

IMPORTANT

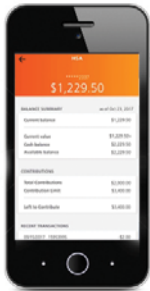
This is only a partial list. For more information, check out the qualified medical expense tool on [optumfinancial.com](https://www.optumfinancial.com).

How much money can I save?

If your annual income is \$45,000, **you can save \$593 a year** in taxes.

Check it out:	With FSA	No FSA
Annual pay	\$45,000	\$45,000
Pre-tax FSA contribution	-\$2,000	-\$0
Taxable income	\$43,000	\$45,000
Combined Federal, State and Social Security taxes	-\$12,750	-\$13,343
After-tax dollars spent on eligible expenses	-\$0	-\$2,000
Spendable income	\$30,251	\$29,658
Tax Savings	\$593*	\$0

Access your account anywhere, any time.



Sign in to your account at **optumfinancial.com** or use our mobile app to:

- Check your balance
- View your claims
- Monitor payments
- Receive messages
- Submit receipts

Paying for eligible expenses.

With your Optum Financial payment card, you can pay for eligible health care expenses without submitting any paper claim forms. It's fast and convenient. Fill a prescription. Pay and be on your way.

You can also pay for eligible health care expenses with a personal credit card or check. Just submit a claim request online, or on the mobile app, along with the right documents, and receive your reimbursement directly into your bank account. Sign up for direct deposit when you sign in to your account at **optumfinancial.com**.

Save your receipts.

Be careful how you use your FSA. There are rules. You will want to keep receipts from your doctors, dentists, clinic, pharmacy and hospital for all eligible health care expenses. All receipts should include the date and description of the service, provider's name and amount paid. That way, you have proof if you need to verify that all of your FSA expenses meet IRS requirements for eligibility.

Changing your contributions.

In special situations — if you get married or divorced, or if you have a baby — you may be able to adjust the amount you contribute to your FSA. This is called a change in status. If you have a qualifying change in status, your benefits representative can help you adjust your contributions. For specific details, check your employer's plan documents.

If you leave the company during the plan year, you may submit FSA claims for expenses incurred while you were still covered under the plan.

Carryover Information

The IRS allows employers to offer a \$610 carryover provision for a Health Care FSA plan, which permits participants to rollover up to \$610 in unused FSA funds to the following calendar year. Any remaining balances which exceed \$610 will be forfeited. The State System offers a \$610 carryover for the Health Care FSA. The Day Care FSA however, must be used DURING the plan year or money is forfeited.

Benefits with a carryover:

- Your carryover balance is in addition to your annual election.
- You can estimate your expenses for the coming year and then add some extra — up to your allowable carryover amount. If you don't spend it next year it rolls to the following year.
- Even if you don't make an election for next year your balance will still carry over.
- The carryover applies to your health care FSA but not your day care FSA.
- **For 2024, the carryover limit is \$610**

See how Jane receives tax benefits and uses the carryover option with her FSA:

Jane budgets:

Glasses	\$400.00
Rx copays	\$300.00
Dental services	<u>\$800.00</u>
Annual election	\$1,500.00

Jane's dental services end up costing \$1,000 (vs. the \$800 she budgeted) and her annual Rx is \$300, so she spends the \$1,300 and decides to wait and purchase her glasses next year when she can put additional dollars into her FSA. Jane has \$200 to carry over to next year.

\$550* Total tax savings	\$360 Federal
	\$75 State
	\$115 FICA

She needs \$700 to pay for glasses and Rx copays next year. With her carryover of \$200, she should elect \$500 for next year, however, with the carryover feature in her plan she decides to add a little more to her election knowing that she will not lose it at the end of the year. Jane elects \$800 in next year's plan.

Hypothetical example is for illustration purposes only. Costs, circumstances and tax rates may vary.



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*Based on 22% federal, 5% state, 7.65% FICA tax rates. Results and amount will vary depending on your particular circumstances.

Flexible spending accounts (FSAs) are administered on behalf of your plan sponsor by Optum Financial, Inc. and are subject to eligibility and restrictions. Please contact a legal or tax professional for advice on eligibility, tax treatment, and restrictions. Please contact your plan administrator with questions about enrollment or plan restrictions. Federal and state laws and regulations and the design of your plan are subject to change.

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Common Health Care Eligible/Ineligible Expenses

Using a flexible spending account (FSA) is a great way to pay for eligible expenses with income tax-free dollars.

The following lists are not all-inclusive but will highlight some common eligible expenses for your health care FSA. The Internal Revenue Service (IRS) decides which expenses can be paid from an FSA, and they can modify the list at any time. Be sure to review your benefit plan documents to learn what expenses are eligible for reimbursement under your specific plan.

Common eligible health care expenses:

- Acupuncture
- Ambulance
- Artificial limbs
- Artificial teeth*
- Birth control treatment
- Blood sugar test kits for diabetics
- Breast pumps and lactation supplies
- Chiropractor
- Contact lenses and solutions*
- Crutches
- Dental treatments including X-rays, cleanings, fillings, sealants, braces and tooth removals*
- Doctor's office visits and copays
- Drug addiction treatment
- Drug prescriptions
- Eyeglasses (Rx and reading)*
- Fluoride treatments*
- Flu shots
- Guide dogs
- Hearing aids and batteries
- Infertility treatment
- Inpatient alcoholism treatment
- Insulin
- Laboratory fees
- Laser eye surgery*
- Medical alert bracelet
- Medical records charges
- Midwife
- Occlusal guards to prevent teeth grinding
- Orthodontics*
- Orthotic Inserts (custom or off the shelf)
- (Certain) over-the-counter drugs and medications
- Physical therapy
- Special education services for learning disabilities (recommended by a doctor)
- Speech therapy
- Stop-smoking programs (including nicotine gum or patches, if prescribed)
- Surgery, excluding cosmetic surgery
- Vaccines
- Vasectomy
- Vision exam*
- Walker, cane
- Wheelchair



Managing your FSA is simple

It's easy to manage your account online. Simply register at optumfinancial.com to:

- Sign up to receive email notifications
- Sign up for direct deposit
- Check your account balance
- Submit claims and receipts for reimbursement
- View your recent transactions

Common over-the-counter (OTC) medicines

Many over-the-counter medicines and drugs as well as medical supplies may be eligible for reimbursement with a health care FSA. Examples include but are not limited to:

- Acid controllers
- Acne medicine
- Anti-gas products
- Allergy and sinus medicine
- Anti-diarrheal medicine
- Baby rash ointments/creams
- Bandages, adhesive or elastic
- Braces and supports
- Breast pumps
- Blood pressure monitors
- Catheters
- Cold and flu medicine
- Cold packs/hot packs
- Contact lens solution and supplies*
- Contraceptives
- Crutches
- Denture adhesives*
- Diagnostic tests and monitors (such as blood glucose monitors)
- Elastic bandages and wraps
- Eye care*
- Feminine antifungal or anti-itch products
- First-aid supplies
- Hemorrhoid treatments
- Laxatives or stool softeners
- Menstrual care products
- Motion sickness medicines
- Nasal sprays or drops
- Ointments for cuts, burns or rashes
- Ostomy products
- Pain relievers, such as aspirin or ibuprofen
- Pregnancy test kits
- Sleep aids
- Stomach remedies
- Sunscreen
- Thermometers
- Walkers, wheelchairs and canes

Services that may be eligible with a letter of medical necessity form completed. This list is not all-inclusive:

- Weight-loss program, only if it is a treatment for a specific disease diagnosed by a physician (e.g., obesity, hypertension, heart disease)
- Compression hosiery/socks, anti-embolism socks or hose
- Massage treatment for specific ailment or diagnosis
- CPR classes for adult or child
- Improvements or special equipment added to a home or other capital expenditures for a physically handicapped person
- Toothbrushes (including electric) and toothpaste



- The IRS publishes information on FSAs and eligible medical expenses. Visit [irs.gov](https://www.irs.gov) and search for Publication 502 or 969 to learn more.
- View your account information at optumfinancial.com

Ineligible expenses

Listed below are some services and expenses that are not qualified for FSA reimbursement. This list is not all-inclusive:

- Aromatherapy
- Baby bottles and cups
- Baby oil
- Baby wipes
- Breast enhancement
- Cosmetics and skin care
- Cotton swabs
- Dental floss
- Deodorants
- Hair re-growth supplies and/or services
- Health club membership dues
- Humidifier
- Lotion
- Low-calorie foods
- Mouthwash
- Petroleum jelly
- Shampoo and conditioner
- Spa salts

For an interactive list of eligible expenses, visit optumfinancial.com/qualifiedexpenses.

Optum Financial payment card

Your Health Care FSA with Optum Financial includes an Optum Financial payment card.

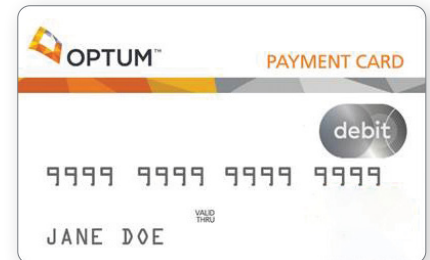
The Optum Financial payment card is a fast and convenient way to pay for eligible medical expenses without submitting paper claim forms. Use it at the pharmacy, pay at the doctor's office or write your payment card number on your provider bill. Just remember to keep your receipt, because transactions may have to be validated or substantiated per IRS guidelines.

How are cards processed?

- If you use the Optum Financial payment card at an IAS-approved pharmacy, the eligible prescriptions should be automatically substantiated. The IAS-approved pharmacy list is available at: <https://www.sig-is.org/>. Vendors such as Wal-Mart, Target, Walgreens and CVS are all approved vendors.
- Optum Financial may have received copay information based on your employer's medical, dental and vision plan. These copay amounts will automatically substantiate payment card transactions at doctor's offices and medical facilities. Documentation, such as an itemized receipt, may be required to be reimbursed for these expenses
- All other purchases may be subject to additional substantiation requirements.

How will I know if I need to submit a receipt to Optum Financial?

- Typically, you will receive a notification from Optum Financial within 7 business days letting you know that a receipt is needed. A second notification will be sent at 30 calendar days.
- If a purchase cannot be substantiated or does not meet eligibility requirements, Optum Financial will ask for the funds to be returned and will credit your plan. Information on how to do this is included in the communication that you will receive.
- If no response is received from you within 45 calendar days, your card will be deactivated to ensure compliance with IRS requirements. During this time, you cannot use your Optum Financial payment card, but you can continue to file manual claims. In order to reactivate your card, you will need to either submit correct documentation or repay the expense.



What information is required by the IRS on a receipt?

- Date of service
- Type of service (prescription, copayment, dental, etc.)
- Name of the provider and name of individual serviced
- Cost of the item or service
- Tip: An Explanation of Benefits meets these IRS requirements

Questions?

Call **1-877-292-4040** to speak to an account representative



More savings equals more family fun

A Day Care FSA helps you cover care for your loved ones

Don't pay full price — get the tax-advantaged rate.

This Day Care FSA benefit provides tax savings for the care of your children, a disabled spouse, or legally dependent parent during your working hours. So your family is completely taken care of while you're busy on the job.

For Day Care FSA, IRS contribution limits are \$5,000 per year if you are married and filing a joint return, or if you are a single parent. If you are married and filing separately, you may contribute up to \$2,500 per year per parent.



Cover care while you work

The cost of day care for children, or supervision for an aging parent, is a significant expense for many families. A Day Care FSA allows you to pay for these services while reducing your taxes. For dependents ages 12 and under you can pay for:

- Before- and after-school care
- Nursery school
- Day care and preschool
- Summer and holiday day camps
- Babysitter, nanny or au pair
- Sick-child care
- And more

You can also use your account for adult dependents who need care, such as a spouse or live-in parent. This includes:

- Senior daycare
- Care of an incapacitated adult who lives with you
- Expenses for an in-home caregiver
- Transportation to and from eligible care (provided by your care provider)
- Eldercare (in your home or someone else's)
- And more

For an interactive list of eligible expenses, visit [optumfinancial.com/qualifiedexpenses](https://www.optumfinancial.com/qualifiedexpenses).

Ineligible expenses

These items are not eligible for tax advantage reimbursement from day care FSA funds:

- Expenses for non-disabled children 13 and older
- Educational expenses, including kindergarten or private school tuition fees
- Amounts paid for food, clothing, sports lessons, field trips and entertainment
- Overnight camp expenses
- Registration fees
- Transportation expenses
- Late payment fees
- Payment for services not yet provided (payment in advance)
- Medical care



Ready to enroll?

Enrolling in an FSA is quick and easy because it's built into your employer's benefits enrollment. Review your enrollment materials so you don't miss your chance to sign up.



Scan the QR code, or go to optumfinancial.com/FSAvideo, to see how you can save.



Go to optumfinancial.com to learn more.

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*Assuming 22% federal income tax and 7.65% FICA. Results and amount will vary depending on your particular circumstances.

Flexible spending accounts (FSAs) ("Employer-Sponsored Plans") are administered on behalf of your plan sponsor by Optum Financial, Inc. or ConnectYourCare, LLC (collectively, "Optum Financial") and are subject to eligibility and restrictions. Employer-Sponsored Plans are not individually owned and amounts available under the Employer-Sponsored Plan are not FDIC insured.

This communication is not intended as tax or legal advice. Please contact a legal or tax professional for advice on eligibility, tax treatment, and restrictions. Please contact your plan administrator with questions about enrollment or plan restrictions. Federal and state laws and regulations and the design of your plan are subject to change.

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