Healthcare FSA

What is a Healthcare FSA (Flexible Spending Account)?

A Healthcare FSA lets you set aside pre-tax dollars from your paycheck to pay for eligible medical, dental, and vision expenses for yourself, your spouse, or your dependents throughout the plan year.

Key Benefits

Take home more money

Contributing to an FSA lowers your taxable income, which means more money stays in your pocket.

Funds on day one

Your entire annual FSA amount is available on the first day of the plan year. For example, if you contribute $1,200, you'll have full access to that amount immediately, even though it's deducted from your paychecks evenly over the year.

Flexibility

Cover eligible expenses for yourself, your spouse, or your dependents. Thousands of products and services qualify under IRS guidelines.

Convenient payment & reimbursement

Pay for eligible expenses instantly with your FSA debit card. If you don't use the card, you can submit a claim and get reimbursed quickly through direct deposit.

Quick Fact: Use It or Lose It (with a Twist)

FSAs follow the IRS "use it or lose it" rule — **funds must be used by the end of the plan year**. However, many plans (including ours) extends the period by an additional **two and a half (2 ½) months,** giving you extra time to use your FSA funds so you don't lose them.

Grace Period

- An additional two and a half (2 ½) months is added to your plan year to use FSA funds.
- This **does not** reduce your ability to elect the maximum for the new plan year.
- The grace period **does not** change the amount of time you have to file claims or submit documentation (i.e., the run-out period).
- If you have the benefits debit card, it will automatically use the funds from your prior plan year first.

Example: If your plan year is **January 1 – December 31**, you have until **March 15** (2 ½ months) to use any remaining FSA funds from the prior year.

How much you can contribute: $3,500(2027)

The Internal Revenue Service (IRS) sets the maximum annual contribution each year. You can choose any contribution amount up to this limit, and it will be evenly deducted from your paychecks throughout the plan year.

Plan Year:

1/1/2027 to 12/31/2027

Grace Period 1/1/28 to 3/15/2028

When to enroll:

You can enroll in an FSA each plan year during your company's annual open enrollment period.

Changing your election:

To change your election after open enrollment, you must have a **qualifying life event**, such as:

- Change in marital status or number of dependents
- Birth, adoption, or marriage (increase in dependents)
- Death, divorce, or loss of eligibility (decrease in dependents)
- Change in eligibility due to a change in employment status for you, your spouse, or your dependents

If you experience a **qualifying life event**, contact your employer to make changes to your election.

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