

## FLEXIBLE SPENDING – HEALTHCARE

Health Flexible Spending Accounts (FSA) allow employees to set aside money on a pre-tax basis for specific health care expenses that are not reimbursed by a medical plan. Non-reimbursable amounts usually include deductibles, co-payments and benefits not paid for under medical insurance. Health expenses that have been (or will be) paid or reimbursed through a group or individual health care plan cannot be reimbursed from the FSA. The date of service for medical, dental or vision expenses must be in the same calendar year as the payroll deduction. Reimbursements must be for expenses incurred during the applicable coverage period. Claims are accepted until March 31<sup>st</sup> of the following calendar year. For eligible expenses, see <http://www.irs.gov/pub/irs-pdf/p502.pdf>.

Eligible employees may elect to participate during Benefits Orientation when hired or during the open enrollment process in November. The annual dollar amount you choose will be spread out over 24 pay periods (18 pays if you are paid over nine months) in the applicable calendar year. The maximum pretax election is \$5000. Mid-year election changes are allowed if you experience a family status change. For example: a marriage or divorce; death, birth or adoption.

*Use it or lose it.* Unused health FSA benefits at the end of a plan year must be forfeited if not claimed before the March 31<sup>st</sup> deadline.

The minimum claim should be no less than \$100 unless it is your last claim of the year.

To file a claim you must complete a [Flexible Spending Claim Form](#) and attach the Explanation of Benefits (EOB) from your health insurance company to substantiate the claim. Please submit the EOB for all medical, dental and vision claims. Do not submit a bill from the provider, a credit card receipt or cancelled check.

To claim prescription drugs you must submit the pharmacy receipt which reflects the name of patient, name of provider, date of service and amount of copay.

For eligible over-the-counter medications or supplies, submit a prescription from a medical provider and the register receipt.

Some dental and vision claims may not have an accompanying EOB and therefore you will submit an itemized receipt from your provider for expenses you've incurred.

At any time you may claim your full health election regardless of the amount contributed. For example: If you elect to defer \$1,000 into a health FSA, you are entitled to \$1,000 in reimbursements at any time during the year (reduced by prior reimbursements during the year) even if all pretax contributions have not been made.

For a complete review of the Michigan Tech plan, please contact the Benefits Office.