

# Flexible Spending Account

## Why should I choose a flexible spending account (FSA)?

A flexible spending account (FSA) lets you save money by setting aside pre-tax dollars to pay for eligible medical, dental, vision and dependent care expenses incurred by you, your spouse or your eligible dependents.



### Take home more money

Putting money into an FSA decreases your taxable income, which means you'll take home more money.



### Plan better for health expenses

Spend your funds on the eligible health expenses you incur throughout the year. The IRS has a "use it or lose it" rule for FSAs, which means funds must be spent by the end of the plan year unless your employer offers a grace period or carryover.



### Flexibility

You can use your funds for eligible expenses occurred by you, your spouse or your eligible dependents. Thousands of products and services are FSA eligible. (Eligible expenses are determined by the IRS.)



### Funds on Day One

All of your FSA dollars are available on the very first day of the plan year. For example, if you choose to contribute \$1,200 to your FSA, your contributions will be deducted evenly across all of your paychecks for the year, but you have access to all \$1,200 on Day One.

## Grace Period

A grace period extends the period of time in which you can use your FSA funds on eligible expenses, such as going to the doctor or purchasing prescriptions or over-the-counter medications.

If you end up spending less than you anticipated when you made your elections during open enrollment, you can tap into those funds for up to an additional 2½ months.

- The grace period does not impact the amount of time you have to file claims or submit documentation for expenses.
- This extension does not impact the next plan year. You can still elect up to the full maximum annual election.
- If you have the payment card, it will continue to work as normal, using the funds remaining in your prior plan year first.

## Contribution limits + IRS regulations

The IRS sets the maximum dollar amount you can elect to contribute to a medical FSA. The annual contribution limit for 2026 is \$3400.

**Tip:** Review how much you spend on eligible healthcare expenses every year to determine how much to elect.

## Changing your election

In order to make changes to your election after open enrollment, you need to experience a qualifying life event. These events include:

- Change in marital status or in the number of dependents
- Increase due to birth, adoption or marriage
- Decrease due to death, divorce or loss of eligibility
- Gain or loss of eligibility due to a change in participant, spouse, or dependent employment status

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

## Can I enroll?

Yes, as long as you or your spouse aren't actively enrolled and contributing to a Health Savings Account (HSA).

**To enroll** contact your Human Resources Department.

## Additional Questions?

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# OTC Consumer Handout



When you participate in a Health Savings Account (HSA) and/or Flexible Spending Account (FSA), you're able to contribute pre-tax funds for use on hundreds of eligible expenses. Recently, you gained even more flexibility in your ability to save when the CARES Act was signed into law.

This new legislation expanded the list of expenses that are considered eligible by including popular over-the-counter products, which you can now purchase with your HSA or FSA without a prescription. This change went into effect on January 1, 2020, and allows for over 20,000 new expenses as eligible moving forward. That's great news for consumers, since the average American shops for over-the-counter medications 26 times each year.

Here are five of the most common expenses that are now eligible for your HSA or FSA funds without a prescription.



### Pain Relief medications

Headaches. Muscle soreness. Sprains. There are so many reasons that you may need pain relievers. There are two common types of over-the-counter pain medications: acetaminophen and non-steroidal anti-inflammatory drugs (NSAIDs), both of which are now among the eligible expenses available from your HSA and FSA.



### Cold and flu products

Winter may be behind us, but cold and flu season never really goes away. As much as 20 percent of the U.S. population gets the flu, on average each season. Fortunately, the over-the-counter medicines you often turn to when coping with a severe cough or congestion are now eligible expenses.



### Allergy products

Thirty percent of American adults and 40 percent of children suffer from allergies. And the cost of allergies to the healthcare system is estimated at \$18 billion. Those who do have allergies can now find relief with their HSA and FSA funds in the form of over-the-counter antihistamines and decongestants.



### Heartburn medications

Heartburn is among the more common afflictions in this country. That's why Americans spend billions of dollars each year on medicines that treat heartburn. The CARES Act means that these over-the-counter drugs are HSA and FSA eligible without a prescription.



### Menstrual products

The CARES Act also included menstrual care products as eligible expenses for HSAs and FSAs. Eligible products include tampons, pads and menstrual sponges.

## How do I know what qualifies?

- You can simply scan a product bar code right in your mobile app to help determine eligibility as a qualified medical expense. That's peace of mind with a touch of a button.
- Online shopping for eligible expenses can be done on sites like Healthshopper, FSA Store and HSA Store. These sites are dedicated to items that are eligible under pre-tax accounts like FSAs and HSAs.
- Consult the SIGIS site for the complete list of eligible health care/medical products that qualify for purchase with an FSA or HSA payment card.

## How it Works

**Use your Payment Debit Card:** Once retailers have updated their payment systems and inventories, you can use your card to pay for these newly eligible items, but remember to always save your receipts in case your purchase needs to be verified later.

**Submit a Claim:** You can submit claims for reimbursement through your online account or using the mobile app. In addition, you can re-submit previously denied claims for items purchased since January 1, 2020 that are now eligible as part of the CARES Act.

Additional questions?

CustomerService@pinnacletpa.com

# Get the Most from Your Dependent Care FSA



## CONTRIBUTION LIMITS & IRS REGULATIONS

The IRS sets the maximum dollar amount you can elect and contribute to a dependent care eligible spending account (dependent care FSA). The annual contribution limit for is:



**Per Household: \$7,500**



**Per Person: \$3,750**  
(if married and filing separately)

Although most people incur more than the limit per year, we recommend reviewing how much you spend on eligible dependent care expenses every year to determine your election.



### FUNDS AVAILABLE AS YOU CONTRIBUTE

Funds will be available to you as they're deducted from your paycheck and contributed to the plan. This means when payroll is processed and your paycheck is available to you, your dependent care FSA contributions will be applied to your account and available for reimbursement.



### USE-OR-LOSE

Don't forget to spend your FSA dollars. If you have not used all of your FSA dollars before the end of the plan year, you will forfeit any money left in your account. (Check with your employer to confirm how many days you have to submit claims for reimbursement after the plan year ends.)



### FAST FACT

For recurring costs, submit our Recurring Dependent Care Form. It makes claim filing simple because you only need to submit one form once in order to get reimbursed each pay period.

## CHANGING YOUR DEPENDENT CARE FSA ELECTION

In order to make changes to your election after open enrollment, you need to experience a qualifying life event. (If you experience a qualifying life event, contact your employer to make changes to your election.)

### These Events Include:

- Change in marital status
- Change in the number of dependents
- Increase due to birth, adoption or marriage
- Decrease due to death, divorce or loss of eligibility
- Gain or loss of eligibility due to a change in participant, spouse or dependent employment status
- Change in daycare providers
- Child turning age 13
- Increase or decrease in the cost of qualifying daycare expenses
- Judgement, decree or order requiring a change in coverage

## Need Help?

For any questions, please contact Pinnacle Customer Service at **(855) 730-8652**.

# Aprovecha al Máximo tu cuenta FSA de Cuidado de Dependientes



## LÍMITES DE CONTRIBUCIÓN Y REGLAMENTOS DEL IRS

El Servicio de Impuestos Internos (Internal Revenue Service, IRS) establece la cantidad máxima en dólares que puede elegir y contribuir a una cuenta de gastos flexibles para el cuidado de dependientes (FSA para el cuidado de dependientes). El límite de contribución anual para el año es el siguiente:



**Por Hogar: \$7,500**



**Por Persona: \$3,750**

(si está casado y presenta la solicitud por separado)

Si bien la mayoría de la gente incurre en más del límite por año, recomendamos revisar cuánto destina en gastos elegibles para el cuidado de dependientes cada año para determinar su elección.



## FONDOS DISPONIBLES A MEDIDA QUE USTED CONTRIBUYE

Los fondos estarán a su disposición cuando se deduzcan de su sueldo y se aporten al plan. Esto significa que cuando se procese la nómina y su cheque de pago esté disponible para usted, las contribuciones de la FSA para el cuidado de dependientes se aplicarán a su cuenta y estarán disponibles para su reembolso.



## ÚSELO O PIÉRDALO

No se olvide de gastar sus dólares de la FSA. Si no ha utilizado todos los dólares de la FSA antes de que finalice el año del plan, perderá todo el dinero que quede en su cuenta. (Consulte con su empleador para confirmar cuántos días tiene para presentar las solicitudes de reembolso después de que termine el año del plan).



## DATO RÁPIDO

Una excelente manera de establecerlo y olvidarse es usar nuestro Formulario de Cuidados Recurrentes de Dependientes que le permite presentar un reclamo para todo el año y se le reembolsará después de cada nómina.

## CAMBIO DE LA ELECCIÓN DE LA FSA PARA EL CUIDADO DE DEPENDIENTES

Para hacer cambios en su elección después de la inscripción abierta, necesita vivir un hecho generador de elegibilidad.

### Estos Hechos Incluyen:

- Cambio de estado civil
- Cambio en el número de dependientes
- Aumento por nacimiento, adopción o matrimonio
- Disminución por fallecimiento, divorcio o pérdida de elegibilidad
- Ganancia o pérdida de elegibilidad debido a un cambio en la situación laboral del afiliado, cónyuge o dependiente
- Cambio de proveedores de guardería
- Un hijo que cumple 13 años
- Aumento o disminución del costo de los gastos de guardería que califican
- Sentencia, decreto u orden que requiera un cambio en la cobertura

## ¿Necesitas ayuda?

Para cualquier pregunta, comunícate con el Servicio al Cliente de Pinnacle al **(855) 730-8652**.