When you enroll in a flexible spending account (FSA) for health care and/or dependent care, you decide how much money to set aside for the upcoming year’s expenses. Your employer will then deduct equal amounts from each paycheck for the plan year. You simply need to submit a claim to be reimbursed for each eligible expense.

**What is a flexible spending account?**
A health care FSA allows you to put money aside through payroll deductions before taxes are withheld to pay for health care expenses not covered by your medical plan or health reimbursement account (if your plan offers one). With a dependent care FSA, you can set aside pre-tax funds to pay for your dependent’s day care expenses. By doing so, you reduce your taxable income, which increases your take-home pay.

**What qualifies as an eligible expense?**
Common eligible costs for the health care FSA include deductible and coinsurance amounts, vision and dental care, medications and hearing aids. For a complete list, refer to your plan documents.

Eligible dependent care expenses include costs associated with caring for a dependent under age 13 living in your home or a spouse or dependent who is unable to care for himself or herself. Expenses are deemed eligible if the expense could qualify for the federal income tax credit on your tax return.

**How much should I place in my FSA?**
Everybody has different needs, but some common questions to consider include:

- What is your health plan deductible? Do you think you’ll incur enough expenses to meet it?
- What is your copayment or coinsurance percentage for health care services?
- What routine or elective medical, dental or vision care expenses do you expect to incur that may not be fully covered under your plan?
- Are you or any eligible family members on long-term medication?
- How much do you expect to pay for dependent care?

**What do I need to submit for reimbursement?**
When you incur eligible expenses, complete a claim form available at [www.MMSIservices.com](http://www.MMSIservices.com). You will need to attach an itemized statement and/or receipt for each item you would like reimbursed (canceled checks are not sufficient receipts). If you have coverage under another plan, attach your Explanation of Benefits (EOB). Submit your claim form and required documentation as directed. MMSI will then send you a check or directly deposit your reimbursement into your bank account.

**Can I make a change to my FSA during the year?**
Under government regulations, you may change your annual contributions only if you experience certain changes. Common examples include marriage, divorce, addition or loss of a spouse or dependent, loss of a job and change in employment status. See your plan document for the list of qualified status change events.

**What if my reimbursement total request exceeds the amount in my FSA?**
When funds in your health care FSA have been exhausted, claims for reimbursement will be returned to you. For the dependent care FSA, you will be reimbursed for the amount in your account, and the balance of the expenses will be sent as additional deposits are received through your payroll deduction. You can review the amount in your FSA account(s) at any time by logging into [www.MMSIservices.com](http://www.MMSIservices.com).

**What happens to money left over at the end of the year?**
According to IRS rules, you will forfeit any funds remaining in your account at the end of the year. This applies to both health care and dependent care accounts. It is important that you estimate your expenses carefully and conservatively.

There is a 90-day grace period to file claims for the current year. For example, you may submit your claims through March 31 of next year for services performed through December 31 of the current year.

**Can I participate in both the health care and dependent care flexible spending accounts?**
Yes. However, the money in each account is kept separate so you cannot use the funds in one account for expenses incurred for the other account.

For more information, please refer to your plan materials or visit [www.MMSIservices.com](http://www.MMSIservices.com).