



Flexible Spending Account Q&A

Q: What is a Flexible Spending Account?

A: A Flexible Spending Account (FSA) is a benefit governed by the IRS and sponsored by your employer. Flexible Spending Accounts (FSAs) are comprised of two separate reimbursement accounts, a Health Care Reimbursement Account (HCA) and a Dependent Care Assistance Account (DCA). These two accounts provide you an opportunity to reduce your tax liability on money spent toward health care expenses and/or dependent daycare expenses.

Q: What is a Health Care Reimbursement Account (HCA)?

A: This program allows you to take money out of your paycheck on a pre-tax basis, which you can use for all of your out of pocket health care expenses. Since the money you choose to put into these accounts is not considered taxable income, you save by paying less Federal, State and FICA taxes. Once you conservatively estimate how much money you expect to spend on out-of-pocket health care expenses for the year you divide your total election by the number of pay periods. This amount will show you how much will be deducted from your paycheck each pay period. Since the HCA is a pre-funded account, the full amount of the annual election is available to your starting the first day of the plan and is available at all times during the plan year while you are employed. Your employer determines the minimum and maximum amounts that can be contributed to these accounts. Your maximum election amount for the HCA is **\$2,750**. To help determine how much money you should set aside, you may use our HCA Election Worksheet. Please visit <https://www.benstrat.com/resources-forms/> and simply click on FSA Tax Savings Calculator.

Q: What is a Dependent Care Assistance Account (DCA)?

A: This program allows you to take money out of your paycheck on a pre-tax basis, which you can use for all of your eligible dependent day care expenses. Just like the Health Care Reimbursement Account, the money you choose to put into these accounts is not considered taxable income, you save by paying less Federal, State and FICA taxes. You will need to conservatively estimate how much money you expect to spend for the year on dependent day care expenses while you and your spouse (if applicable) are gainfully employed. Once you arrive at your estimate for the year you divide your total election by the number of pay periods. This amount will show you how much money will be coming out of your paycheck each pay period. When enrolled, this pre-tax money goes into your DCA account which is managed by Benefit Strategies. As you incur day care expenses, you may submit claims to draw the money out of your account. You will then be reimbursed up to the amount currently in your DCA account. The money is NOT available up front like the HCA account; you are limited to the cash amount currently credited in the account. Your maximum election amount for the DCA is **\$5,000**. To help determine how much money you should set aside, you may use our HCA Election Worksheet. Please visit <https://www.benstrat.com/resources-forms/> and simply click on FSA Tax Savings Calculator.

Q: If I don't elect insurance through my employer am I still eligible to participate in the FSA?

A: Yes. You do not need to be enrolled in your employer insurance plan to participate in the FSA. You would only need to meet the eligibility requirements set by your employer.

Q: How much money will I save?

A: To determine how much you will save by using a Flexible Spending Account, please use our simple Tax Savings Calculator by clicking [HERE!](#)

Q: How do I get reimbursed?



A: There are multiple methods of reimbursement:

1. The FlexExpress Debit Card – This card provides you with easy access to your FSA to pay your IRS qualified expenses directly at the point-of-sale. The card will only be accepted at specific healthcare providers such as physician offices, dental offices, pharmacies, hospitals, chiropractors or optometrists. The card will also work at many dependent care locations.
2. Online Reimbursement – The second reimbursement method is to pay for your qualified expense out-of-pocket and submit a claim by logging into your personal account at www.benstrat.com then click on Employee, and choose Flexible Spending Account. You can enter your claim online and upload your receipts directly into our system or you can print out your claim confirmation and send it to Benefit Strategies with a copy of your receipt.
3. Paper Reimbursement – The third reimbursement method is to pay for your qualified expenses out-of-pocket and submit a completed paper Reimbursement Request Form along with a copy of the detail documentation of your expenses to Benefit Strategies. Claim forms can be found online at www.benstrat.com.
4. Through our Mobile App. Please visit <https://www.benstrat.com/downloads/Mobile-App-Flyer.pdf> for more information.

Q: What is my plan year?

A: Your plan year runs from January 1st to December 31st. You have an additional 75 day extension until March 15th to incur expenses toward your prior plan year and to help you spend down your funds.

Q: What is the final filing date?

A: Your final filing date is March 31st. All claims to be reimbursed from the prior year’s plan must be submitted to Benefit Strategies prior to this date.

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