

# FSA Employee Handout



## GIVE YOURSELF A PAY RAISE.

Bring home more of your paycheck.

Who couldn't use a little more money? That's what you'll receive when you take advantage of a Flexible Spending Account (FSA). An FSA allows you to set aside a portion of your salary, before taxes, to pay for qualified medical or dependent care expenses. Because that portion of your income is not taxed, you end up with more money in your pocket.

### Healthcare Flexible Spending Account (FSA)

A Healthcare FSA allows you to budget and save for qualified medical expenses incurred over the course of your upcoming plan year. It is a great savings tool for you and your family. The expense must be primarily to alleviate or prevent a physical or mental defect or illness and cannot be reimbursed by insurance or any other source. Your entire election amount is available the first day of your plan year.

#### Eligible Expenses\*

- Prescription medicines and drugs
- Hearing aids
- Orthopedic goods and prosthetic devices
- Doctors
- Dentists and orthodontics
- Osteopaths
- Chiropractors
- Optometrists, ophthalmologists, opticians and eyeglasses
- Over-the-counter medicines and drugs
- Chiropodists and podiatrists
- Nursing and personal care facilities
- Medical and dental laboratories
- Medical services and health practitioners
- Ambulance services, equipment and supplies

\*Some of the expenses on this list may require a prescription or doctor's note.

### Dependent Care Account (DCA)

A Dependent Care Account is a simple way to save money on care for your dependents. It allows you to set aside pre-tax dollars to pay for day care expenses. The annual IRS limit for this type of account is \$5,000. If you are married and file separate returns, you can each elect \$2,500 for the calendar year. To be eligible for this type of account, both you and your spouse (if applicable) must work, be looking for work or be full-time students. You may receive reimbursement up to the current balance in your account at the time the request is made.

#### Eligible Dependents

- Children under age 13 who are claimed as a dependent for tax purposes
- Disabled spouse or disabled dependent of any age

#### Ineligible Expenses

- Costs claimed as a dependent care tax credit on your tax return
- Services provided by one of your dependents
- Expenses for nighttime babysitting
- Expenses paid for school (Kindergarten and above)

View an expanded list of eligible medical expenses and information about using the benefits debit card at [www.discoverybenefits.com](http://www.discoverybenefits.com).

### Check out our mobile application!

Discovery Benefits is proud to offer a free mobile app for iPhone (including iPad, iPod, and iTouch) and Android devices.

- Stay secure with password protection
- Keep information safe — it will not be stored on your phone
- Check account balance(s)
- Upload receipts
- View final filing dates
- View claim details
- Contact customer service
- Sign up for text alerts

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