



Healthcare Flexible Spending Accounts

Set aside, spend and save

A Healthcare Flexible Spending Account (HC-FSA) is an account with tax perks you use to stretch benefit dollars for healthcare expenses.

How a Healthcare FSA works

- Decide what you want to contribute to your HC-FSA for the year. Money is then deducted pre-tax from your paycheck in equal installments.
 - Pay for qualified healthcare expenses for yourself, your spouse and your dependents.
 - Use your Benefits Card to pay directly or pay out of pocket and submit a claim for reimbursement.
 - Check your balance and account information online or on the HSA Bank app 24/7.
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What's covered?

You can use your HC-FSA funds to pay for any IRS-qualified healthcare expenses like doctor visits, hospital fees, prescriptions, dental exams, vision appointments, over-the-counter medications and more.

Visit hsabank.com/QME for a list of qualified expenses.

What happens if I don't use all of my HC-FSA funds?

Plan Carefully

Money left in your HC-FSA at the end of the grace period is forfeited and cannot be returned to you. This is called the "Use it or Lose it" rule. You must incur eligible expenses by March 15 of your plan year and submit them for reimbursement before March 31 of your plan year.

Grace Period

USG provides a grace period of 2 ½ months after the end of the calendar year. This means you can continue to incur eligible healthcare expenses through March 15 of your plan year, giving you a little more time to use up your Healthcare FSA balance. All USG FSAs have a grace period.

Moving from an FSA to an HSA?

If you change from one calendar year to a Health Savings Account (HSA) the next calendar year, IRS rules state that your HC-FSA balance must be zero on December 31 or you will not be able to contribute to your new HSA until April 1 (after the grace period is over). You need to take action by making an HSA election on or after April 1 of your plan year.

How much can I contribute?

Each year, the IRS limits how much you can contribute to your FSA. Visit hsabank.com/irs-guidelines for specific annual limits.

Tax Savings

- 1 HC-FSA contributions aren't subject to federal and most state income taxes.¹
- 2 Any funds you spend on qualified healthcare expenses are tax-free.

¹ State tax exemption may not be available in every state. HSA Bank does not provide tax advice. Consult your tax professional for tax-related questions.



Visit hsabank.com or call 833-228-9352 for more information.



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