



Benefits Services  
2407 LaPorte Avenue  
Fort Collins, CO 80521  
970-490-3382

# Summary of Flexible Spending Account (FSA) Benefits

This is a summary of the flexible spending account (FSA) benefits available to Poudre School District employees.

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## Flexible Spending Accounts (FSA) – Health Care and Dependent Care

***NOTE: You must re-enroll annually during open enrollment to participate.***

The FSAs give you a way to set aside part of your pay on a pre-tax basis to pay for eligible health care and dependent care (daycare) expenses during the plan year, August 1 – July 31. You avoid paying federal and state income taxes and PERA contributions on the money you set aside in an FSA.

Once you make an election for the plan year, you cannot change it unless you experience an IRS qualifying event (qualified status change) and request the change within 31 days of the event. The change you elect must be consistent with the status change. For example, should you have a child during the plan year, it is consistent if you elect to increase your health care FSA deduction. It would not be consistent to reduce your deduction, as expenses should increase with the addition of a baby.

- **Health Care FSA:**
  - You must be enrolled in the FSA plan to make a change.
  - A qualified status change will **NOT** allow you to join the plan mid-year.
- **Dependent Care FSA:**
  - You may enroll in, change, or drop the FSA plan if you have a qualified status change.

Eligible expenses must be incurred during the plan year (August 1 – July 31).

Eligible claims must be submitted within ninety (90) days of the end of the plan year.

### Health Care FSA Details

**Health Care FSA** can be used to pay for medical, dental, pharmacy, and vision related expenses not covered by insurance. Insurance premiums are not reimbursable. Expenses can be for you and your eligible dependents even if they are not enrolled on your PSD medical, dental, and/or vision plans.

**NOTE: An eligible dependent child must be under the age of 26 to use the health care FSA for their qualified expenses.**

- Contribute up to \$3,200 per plan year (\$266.67 per month), minimum amount is \$120 per plan year (\$10 per month). *Amount is limited per employee.* Therefore, if both spouses work for PSD each could contribute \$3,200.
- You will receive an FSA debit card to use to pay for your eligible expenses.
- Claims for expenses incurred during the plan year are eligible for reimbursement up to the plan year election amount regardless of what has actually been deducted from the employee's paycheck and deposited to the health care FSA.
- Beginning the 2024-25 plan year, you may roll over unused funds up to \$640 to use the following year. Any balance over \$640 is forfeited at the end of the plan year.
- A detailed list of eligible expenses is available in the IRS Publication 502 – Medical and Dental Expenses available on the IRS website.
- Estimating Your Expenses - Use this table to estimate your medical/dental/vision costs to be incurred during the plan year (August 1 – July 31) and not reimbursed by insurance or any other benefit plan. Be sure to include expenses for you, your spouse, and all eligible dependents.

#### Medical

Insurance deductibles	\$ _____
Copayments/coinsurance	\$ _____
Routine exams	\$ _____
Prescription drugs	\$ _____
Over-the-counter medications	\$ _____

#### Dental

Insurance deductibles	\$ _____
Copayments/coinsurance	\$ _____
Exams, cleaning, x-rays, etc.	\$ _____
Fillings, caps, crowns, bridges, etc.	\$ _____
Orthodontia	\$ _____

#### Vision

Exams, contacts, glasses, LASIK, etc.	\$ _____
<b>Other eligible unreimbursed expenses</b>	\$ _____

**Estimated Total Health Care FSA Expenses** \$ \_\_\_\_\_

**Dependent Care FSA Details**

**Dependent Care FSA** can be used to pay for eligible daycare expenses for qualified dependents (up to age 13) and elderly dependent care (as described in IRS Publication 503) when you work outside your home. ***This account is not for your dependents’ health-related expenses.***

- Contribute up to \$5,000 per plan year (\$416.67 per month), minimum amount is \$120 per plan year (\$10 per month). *Amount is limited per household.*
- You will receive an FSA debit card to use to pay for your eligible expenses.
- Claims for expenses incurred during the plan year are eligible for reimbursement up to the amount available in the employee’s dependent care FSA.
- Unused money does NOT carry forward and will be forfeited at the end of the plan year if not used. Plan carefully - Use it or lose it!
- Estimating Your Expenses - Use the table to estimate your dependent care costs to be incurred during the plan year (August 1 – July 31)

**Note:** Enrollment requires a monthly deduction over 12 months. You CANNOT stop your deduction due to not needing daycare over the summer months. Therefore, if you do not work year-round, plan accordingly only for the months you need daycare. For example, you need daycare August – May (10 months) and will pay \$400/month, your annual election will be \$4,000. The \$4,000 will be deducted monthly, August-July in the amount of \$333.33.

**Eligible or Not?**

Base Camp is eligible.

All day kindergarten expenses are **not** eligible.

Overnight camps of any type are **not** eligible.

Nursing home fees are **not** eligible.

**Child Care Expenses**

Day care services \$ \_\_\_\_\_

In-home care \$ \_\_\_\_\_

Nursery and pre-school \$ \_\_\_\_\_

Before and After-school care \$ \_\_\_\_\_

Summer day camps \$ \_\_\_\_\_

**Elder Care Services**

Day care center \$ \_\_\_\_\_

In-home care \$ \_\_\_\_\_

**Estimated Total Dependent Care FSA Expenses** \$ \_\_\_\_\_

If you have specific questions on an eligible expense, please contact Simplified Benefits Administrators at 800-207-1018 prior to enrolling.

**HOW DO I ENROLL?**

Complete your enrollment online using the online enrollment system at <http://tpa.uchealth.org>.

**FSA CASE STUDY**

Because FSAs provide you with an important tax advantage that can help you pay for health care expenses on a pre-tax basis. Due to the personal tax savings you incur, your spendable income will increase. The example that follows illustrates how an FSA can save money.

*Joe and Jane live in Colorado and have a combined annual gross income of \$45,000. They are married and file their income taxes jointly. Since Joe and Jane expect to spend \$3,000 in eligible medical expenses in the next plan year, they decide to direct a total of \$2,750 (the maximum allowed amount per individual, for that taxable year) into their health care FSA. The table demonstrates their savings.*

	Without FSA	With FSA
<b>Gross income</b>	<b>\$45,000</b>	<b>\$45,000</b>
FSA contributions	\$0	(-\$2,750)
Gross income	\$45,000	\$42,250
Estimated taxes	(-\$5,532)	(-\$4,999)
After-tax earnings	\$39,468	\$37,251
Eligible out-of-pocket expenses	(-\$3,000)	(-\$250)
<b>Remaining spendable income</b>	<b>\$36,468</b>	<b>\$37,001</b>
<b>Spendable income increase</b>	<b>--</b>	<b>\$533</b>

**ELIGIBLE MEDICAL EXPENSES GUIDELINE**

The following list is not intended to be a complete list of eligible expenses. The IRS regulations regarding eligible expenses that may be included in Section 125 Flexible Spending Accounts is the final determination. All expenses must be eligible under IRS Code Section 213. Any expense not listed that you believe may be eligible should be discussed with the administrator prior to enrollment.

Abortion (legal only)
Acupuncture (excluding remedies/treatments prescribed)
Alcoholism; Drug Addiction
Ambulance
Artificial limb
Artificial teeth
Blood Pressure Monitor
Braille books
Childbirth classes
Chiropractors

Co-payments & Co-insurance amounts
Contraceptives (prescription only)
Contact lenses & cleaning solutions
Crutches
Deductibles
Dental care including dentures
Diabetic supplies
Ear plugs
Eye exams, eyeglasses, contacts
Fertility treatments
Flu shots
Hearing aids & batteries
Immunizations
Insulin
Lasik vision correction
Learning disabilities
Medical records charges
Nicotine chewing gum
Occlusal guards
Orthodontia services
Over-the-counter medications such as pain relievers, allergy medications, cold/flu medications and antacids if prescribed by a physician
Patterning exercises
Physical exams
Prescription drugs
Prescription sunglasses
Pregnancy tests
Psychiatric care
Physical therapy
Smoking Cessation (prescription only)
Speech training
Sterilization
Transplants
Vaccines
Wheelchair

**Non-prescription, over-the-counter medications that may be reimbursed:**

- |                               |                      |
|-------------------------------|----------------------|
| Allergy medications           | Antacids             |
| Band-aids and bandages        | Cold/Flu medications |
| Condoms and spermicidal foams | Creams & ointments   |
| Hemorrhoid relieving products | Menstrual products   |

Pain relievers  
Wart removers

Sunburn relief

**MEDICAL EXPENSES NOT ELIGIBLE FOR REIMBURSEMENT**

The following list is not intended to be a complete list of ineligible expenses.

Air purifier*
Alternative medicines
Breast pumps*
Cosmetic surgeries & procedures
COBRA insurance premiums
Childcare expenses
Controlled substances
Exercise equipment
Funeral expenses
Genetic testing**
Hair transplants
Hair growth medications (i.e. Rogaine)
Hair removal treatments
Health club dues
Herbs*
Herbal supplements*
Illegal services
Insurance premiums
Lodging***
Long term care insurance/services
Massage therapy*
Medicare premiums
Meals
Monitoring and testing devices*
Nutritional supplements*
Personal trainer
Pre-payments or pre-treatments
Specialty foods*
Storage fees (sperm, blood etc.)
Sundries; toothpaste, face creams etc.
Sunscreen
Supplies*
Surrogate expenses
Tanning salon
Teeth bleaching/whitening
Varicose vein treatments*
Vitamins*

Weight loss programs/medications*
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\*Must be prescribed for a specific medical condition.

\*\*Only to determine possible defects.

\*\*\*Subject to IRS daily limits.

**ADDITIONAL INFORMATION**

Simplified Benefits Administrators administers the Flexible Spending Accounts. You can reach them at 800-207-1018.

The address for submitting FSA claims is:

Simplified Benefits Administrators  
10375 Park Meadows Drive, Suite 125  
Lone Tree, CO 80124  
Fax (801) 442-0945  
Email: [FSASBA@simplifiedbenefitsadministrators.org](mailto:FSASBA@simplifiedbenefitsadministrators.org)

For additional information, you may also contact Benefits Services at [PSDBenefits@psdschools.org](mailto:PSDBenefits@psdschools.org) or Bianca Figueroa at (970) 490-3499.