



# Flexible Spending Accounts (FSA)

**Your Flexible Spending Account (FSA) allows you to set aside pre-tax dollars to pay for eligible out-of-pocket health care and dependent care expenses, thus lowering the amount of taxes you will pay.**

FSA Election Type	Election	Tax Rate	FSA Savings
Medical	\$3,300	25%	\$825
Dependent Day Care	\$5,000	25%	\$1,250

FSA's are subject to the Use-It-Or-Lose-It rule. Be conservative when preparing your election.  
FSA's may offer grace periods which extend time to spend your elections.

**Medical FSA** is used to pay for medical, dental and vision expenses not paid for by insurance, usually deductibles, copayments, and coinsurance for the employee's health plan. Some examples of eligible expenses are listed in the box to the right. For a complete list, see IRS publication 502: (<http://owwww.irs.gov/pub/irs-pdf/p502.pdf>)

- o **Maximum contribution for 2025 is \$3,300 per year**

**Limited Purpose FSA** can be used in conjunction with a qualified HSA plan and can only be used to reimburse **dental and vision** expenses.

- o **Maximum contribution for 2025 is \$3,300 per year**

**Dependent Care FSA** is used to pay for certain expenses to care for dependents who live with someone while that person is at work. While this most commonly means child care for children under the age of 13, it can also be used for children of any age who are physically or mentally incapable of self-care, as well as adult day care for senior citizen dependents who live with the person, such as parents or grandparents. The person on whom the dependent care funds are spent must be able to be claimed as a dependent on the employee's federal tax return.

- o **Maximum contribution for 2025 is \$5,000 per year**

## Examples of eligible FSA Medical expenses:

- Alcoholism Treatment
- Ambulance Costs
- Birth Control Pills & Devices
- Chiropractors
- Contact Lens Solutions and Cleaners
- Contact Lenses or Glasses
- Co-Pays
- Deductibles
- Dental Expenses (cleanings, crowns, deductibles, implants, fillings)
- Dentures
- Eye Exam
- Hearing Devices and Batteries
- Hospital Expenses
- Insulin
- In-Patient Therapy
- Laboratory Fees
- Nursing Services
- Orthodontic Treatment
- Over the counter medication per CARES Act (cold & allergy medication, feminine products, etc)
- Over-the-counter reading glasses
- Periodontal Fees
- Prescription Drugs (drugs with RX#)
- Psychiatric Care
- Smoking Cessation Program
- Sterilization
- Transportation primarily for and essential to medical care
- Vaccinations
- Vasectomy
- Wheelchairs



## Employee Solutions Group

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