



THE HARRISON GROUP, INC.

# YOUR GUIDE TO FLEXIBLE SPENDING ACCOUNTS





# WHAT IS AN FSA??

Flexible Spending Accounts (FSAs) offer more than just healthcare savings—did you know there are two common types, each serving a unique purpose?

These pre-tax benefit plans help you lower your taxable income by setting aside pre-tax dollars for essential expenses. Whether it's healthcare or dependent care, FSAs provide a smart way to manage everyday costs while saving on taxes.

## Healthcare FSA

allows reimbursement of qualifying out-of-pocket medical expenses.

## Dependent Daycare FSA

allows reimbursement for eligible dependent care expenses.

With both types of FSAs, you'll receive access to a secure, easy-to-use web portal where you can track your account balance, view your claims history, and submit requests for reimbursements.

### FSA ELIGIBILITY

Anyone whose employer offers an FSA can participate, including employees not covered under the employer's health plan. Your employer may exclude certain types of employees such as part-time, seasonal or temporary. Ask your employer benefits team to verify eligibility. Self-employed individuals cannot participate in an FSA.

A **Flexible Spending Account (FSA)** helps you increase your take-home pay and save on taxes by using pre-tax dollars for eligible out-of-pocket expenses. You can then access these funds easily with our HG Advantage Card.

With an FSA, you elect to have your annual contribution deducted from your paycheck each pay period in equal installments throughout the year, until you reach the yearly maximum you have specified. The amount of your pay that goes into an FSA will not count as taxable income, so you will have immediate tax savings. FSA dollars can be used during the plan year to pay for qualified expenses and services.

# BENEFITS OF AN FSA

A Flexible Spending Account (FSA) lets you budget and manage your eligible expenses. Your FSA funds are put aside before taxes, which means more money in your pockets.



Enjoy significant tax savings with pre-tax deductible contributions and tax-free reimbursements for eligible expenses.



Quickly and easily access funds using our HG Advantage Card.



Request reimbursement for claims easily online or via Mobile App, and receive reimbursements to your bank account or via check.



Enjoy secure access to your accounts using our convenient online Employee Participant Portal, available 24/7/365.



Manage your FSA "on the go" with our easy to use Mobile App.



Get one-click answers to benefits questions using the many resources available on theharrisingrouponline.com website.

## DID YOU KNOW?? YOU CAN USE YOUR HEALTHCARE FSA FOR OVER-THE-COUNTER PRODUCTS!

Healthcare FSAs now include many **OVER THE COUNTER** medications as eligible expenses. So those regular purchases of pain relievers, allergy and sinus medications, heartburn relief, bandages, and more can now all be purchased with your FSA funds. Also, menstrual care products are eligible!





# IS AN FSA RIGHT FOR ME??

## HEALTHCARE FSA

COULD SAVE YOU MONEY IF YOU OR YOUR FAMILY MEMBERS:

- have out-of-pocket expenses like co-pays, coinsurance, or deductibles for medical, dental or vision plans, or use prescription medications
- make regular purchases of over-the-counter items like pain relievers, allergy and cold medications, or feminine care products
- wear glasses or contact lenses, or are planning lasik surgery
- need orthodontia care, such as braces, or have dental expenses not covered by insurance

### HEALTHCARE FSA

2025 PLAN YEAR IRS LIMIT = \$3,300

*\*Employer determines employee maximum annual contribution limit.*

## DEPENDENT DAYCARE FSA

COULD SAVE YOU MONEY IF YOU (AND YOUR SPOUSE, IF MARRIED) ARE WORKING, OR IN SCHOOL, AND:

- your dependent children (under age 13) attend daycare or after-school care
- your dependent children (under age 13) attend preschool or summer day camp
- you provide care for a person (any age) whom you claim as a dependent on your federal tax return and who is mentally or physically incapable of caring for himself or herself

### DEPENDENT DAYCARE FSA

2025 CALENDAR YEAR IRS LIMIT = \$5,000

(\$2,500 FOR MARRIED FILING SEPARATE)

# PLANNING AHEAD



Before you enroll, you must first decide how much you want to contribute to your account(s). This amount is called your **ANNUAL ELECTION AMOUNT**. You will want to spend some time estimating your anticipated eligible medical and/or dependent daycare expenses for your plan year. We offer a handy **FSA Tax Savings Calculator** on our website in our Resource Library.

## WHAT IS A GRACE PERIOD?

A grace period essentially extends the Healthcare FSA's plan year for an additional 2 ½ months, allowing eligible expenses to be incurred over a 14 ½ month time period rather than a 12-month time period.

## QUESTIONS?

Our account managers are available to answer any questions you may have throughout the year. We strive to deliver flawless customer service to make your life easier. Whether you utilize our website, participant portal, mobile app, or call and email us, we will answer your questions promptly and with our best customer care.

## CONTACT US

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