



Disclaimer: This meeting is being recorded.

Hello and welcome to the Anne Arundel Employee 2024 Renewal Presentation!

The meeting will start promptly at 12:05 to allow all participants to join.

There will be a time for questions at the end of each plan review section.

# Flexible Spending Account

Ameriflex

# What is an FSA?

An FSA is a spending account for health expenses. The account is tax-advantaged, meaning you can save up to 40% on thousands of everyday expenses. You decide how much money you want to set aside at the beginning of the year and that money is yours to use starting day one.

- [Eligible Expenses](#)
- [Why would I need to submit a Letter of Medical Necessity for an eligible expense?](#)

## How much you can contribute:

- \$3,050
  - This is the maximum set by the IRS. Please check with your Human Resources department for verification of your employer's maximum contribution amount.
  - Since it does not coordinate with insurance coverage, you do not have to participate in your employer's medical plan to be eligible
  - Any legal dependent can use your FSA funds, regardless of their insurance coverage status





Disclaimer: If you or your spouse currently contributes to a health savings account (HSA), you should check with your HR representative before enrolling in the FSA.

# Eligible Expenses



**Deductibles . Copays . Prescriptions**



# Teeth Cleaning



A pair of hands is holding a pair of black-rimmed glasses in front of a blurred background. The background appears to be a port or harbor with several cranes visible in the distance. The text "LASIK . Glasses . Contact Lenses" is overlaid on the image in a bold, black, serif font.

**LASIK . Glasses . Contact Lenses**



Hot and Cold Packs



First Aid Kits



Acne Treatments



Thermometers



Prenatal Vitamins

**Over-the-Counter Medications. Menstrual Care products . And much more**



Overnight Pants



Foot Care



Kinseology Tape



Bandages

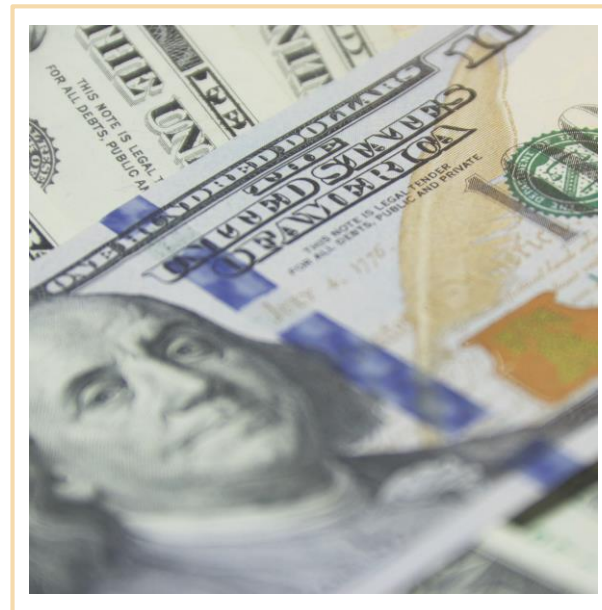


Contact Lens Solution



## Use It or Lose It

Because of the special tax treatment applied to FSAs, the IRS has rules in place governing the use of FSA funds. One rule states that any unused FSA funds remaining in your account at the end of the eligible claims period must be forfeited and will not roll over to the next plan year. This is sometimes referred to as the “Use it or Lose it” rule.



## Use It or Lose It (Continued)

To avoid forfeiting any unused at the end of your plan year, please keep in mind:

- Eligible FSA claims must be incurred within the eligible claims period that is specified in your employer's plan. (Check with your HR department for more information about plan year dates.)
- To be reimbursed for an eligible expense, the date of the service rendered or the date on which an expense was incurred must fall within the eligible claims period. Billing dates or statement dates are irrelevant.
- Plan ahead! Planning ahead will help you come up with a reasonable estimate of what your expenses might be and help avoid losing any unused funds.

## 2.5 Month Grace Period

A grace period is a 2.5-month period following the end of a plan year. During this period, an employee may pay for new expenses with funds remaining in the plan year that has just ended, using an Ameriflex card or by submitting a manual claim. Per IRS requirements, the Grace Period must be two full months and 15 days.



Questions?

# Dependent Care Account

Ameriflex



# What is a DCA?

A dependent care account (DCA) makes daycare, nursery school, and elderly care more affordable by reducing your taxable income, saving you hundreds of dollars in tax savings each year.

- [Set Up a Recurring Dependent Day Care Claim](#)

### How much you can contribute:

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- \$5,000 for married couple (filing jointly)
- \$5,000 for a single parent
- \$2,500 for a married person (filing separately)

### What you can use it for:

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- Daycare or elder care
- Before-school and after-school care
- Preschool and nursery school
- Private sitter
- Summer day camp
- Nanny service

## Ineligible Dependent Care Expenses

Per IRS publication 503, a DCA cannot be used for:



- Tuition or school expenses for kindergarten and above, overnight camps, expenses for non-disabled children aged 13 and older, and day care expenses while you are not working.
- You may not use DCA funds towards dependent day care expenses if your spouse or other dependent (e.g. an older sibling) is providing the care.

## Dependent Care Criteria:

- You and your spouse must be employed or full-time students.
- The amount to be reimbursed cannot be greater than your or your spouse's income, whichever is less.
- To receive reimbursement, you must have contributed the funds and incurred the expense.



## Dependent Care Criteria:

- The child being cared for must be age 12 or under and a legal dependent under federal tax rules.
- The day care services may be provided in your home or another location, but not by someone who is your minor child or dependent (for example, an older sibling).
- If the services are provided by a day care facility that cares for six or more children simultaneously, it must comply with state and local day care regulations.
- Services must be for the custodial care of the child.



Questions?

# Other Perks

Ameriflex



Once enrolled in an Ameriflex plan, you will have access to the below complementary services:

- [Key Features & Account Resources](#)
- [ID Theft Protection](#)
- [Set up mobile pay](#)
- [Set up Direct Deposit](#)

Card Swipe Guarantee: Ameriflex guarantees that 100% of your participants' FSA and/or HRA-eligible card transactions will not require the participant to submit a substantiation document.

In order for your employees to enjoy the tax benefits associated with medical flexible spending accounts (FSA) and Health Reimbursement Arrangements (HRA), IRS rules require that all participant claims (including debit card claims) be verified as a legitimate expense according to the tax code. Even though they may not think of it as such, an Ameriflex card user swiping their card for an IRS approved expense is actually making a claim that requires verification.

Our advanced technology ensures you can be confident your employees will only use their cards for legitimate expenses. Additionally, your employees will enjoy a “no-stress” experience when using their Ameriflex Debit Mastercard® to pay for approved expenses.

# Ameriflex Support



Download the  
Mobile App

Call us at:  
888.868.3539

Visit us at:  
[www.myameriflex.com](http://www.myameriflex.com)