



Maximize your income with a healthcare FSA

What is a Healthcare FSA?

A flexible spending account is an employer-sponsored benefit that allows you to pay for eligible medical expenses on a pre-tax basis. If you expect to incur medical expenses that won't be reimbursed by another plan, FSAs are a great way to save money while covering those costs.

How Does It Benefit Me?

An FSA saves you money. The contributions you make to an FSA are deducted from your pay before your federal, FICA and state taxes are calculated and are never reported to the IRS. The end result is that you decrease your taxable income and increase your spendable income. You can save hundreds.

Federal Tax Rate	Annual FSA Contribution	Annual Tax Savings*
15%	\$1,500	\$340
15%	\$2,500	\$566
25%	\$1,500	\$490
25%	\$2,500	\$816
33%	\$1,500	\$610
33%	\$2,500	\$1,016

*For illustrative purposes only. Based on a 7.65% FICA. Your tax situation may be different. Consult a tax advisor.



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Save on predictable healthcare expenses.

Flexible spending accounts reduce your taxable income by setting aside pre-tax dollars to pay for eligible healthcare expenses.

How a Healthcare FSA Works

You will need to determine an annual election amount to set aside into your flexible spending account. This annual election amount will be deducted evenly out of each pay check on a pre-tax basis and put into your FSA. You can then use the pre-tax dollars to pay for eligible expenses.



A big perk to an FSA is that it is pre-funded, meaning that you will have access to your full annual election amount at the very beginning of the plan year, regardless of the amount contributed to date. That is like having a tax-free, interest-free loan to help you pay for healthcare expenses. So go ahead and schedule that laser eye surgery in January!

Be sure to only allocate dollars for predictable healthcare expenses. Any unused funds at the end of the plan year are forfeited, also called the use-it-or-lose-it provision. Changes to the annual election amount are only permitted due to a change of status such as marriage or birth of a child.



Who's Covered

An FSA covers eligible expenses for you and all of your dependents, even if they are not covered under your primary health plan.

What's Covered

For a complete list of eligible expenses see IRS Publication 502: Medical and Dental Expenses. Examples of eligible expenses:

- ▶ Acne Treatments**
- ▶ Allergy Medicine**
- ▶ Antacids**
- ▶ Bandages
- ▶ Chiropractic Care
- ▶ Cold Medicine**
- ▶ Condoms
- ▶ Contact Lenses & Cleaners
- ▶ Copays, Co-Insurance & Deductibles
- ▶ Dental Care
- ▶ Diabetic Supplies
- ▶ Eyeglasses
- ▶ Hearing aids
- ▶ Laser Eye Surgery
- ▶ Orthodontia
- ▶ Pain Relievers**
- ▶ Pregnancy Tests
- ▶ Prescription Drugs
- ▶ Smoking Cessation Programs**
- ▶ Sunscreen

**Over-the-counter (OTC) drugs and medicines (except insulin) are only eligible for reimbursement when prescribed by a physician.



Benefits Debit Card

Spending your FSA funds on eligible expenses has never been easier. The card allows you to avoid out-of-pocket expenses, cumbersome paperwork and reimbursement delays. One card can manage multiple account types, such as a dependent care FSA, health savings account, or commuter account.



Online & Mobile Access

Get account information from our easy-to-use online portal and mobile application. See your account balance in real time, file a claim for reimbursement by snapping a photo of the receipt, and check on a claim status.

Advantages of an FSA

- ▶ Increase your spendable income by reducing your taxable gross income
- ▶ Budget for planned healthcare expenses
- ▶ No waiting for reimbursement when you use your benefits debit card