

QUESTIONS ABOUT THIS PLAN?

You may contact Sharon Thompson @ TR Paul (800) 678-8161 Ext 257 or email sthompson@trpaul.com

GENERAL PURPOSE MEDICAL FLEX SPENDING ACCOUNTS

- The annual amount you elect is available to you from the first day of the plan year – regardless of your contributions. Expenses must qualify as “eligible” according to the IRS rules. The annual amount you elect will be divided equally for each pay period in 2019-2020.
- “Eligible” expenses are incurred within the Flex plan year (7/1/19-6/30/2020) and must meet the IRS’ definition of “medically necessary”. This would include expenses for the prevention, diagnosis, treatment or mitigation of a disease or illness.
- Medical expenses for your dependents are eligible BUT **ONLY IF** you claim that dependent on your Federal Income Tax return or if they meet eligibility as defined in the Affordable Care Act.
- If you or your spouse are making pre-tax payroll contributions to a Health Savings Account, you cannot also participate in a general purpose medical Flex Spending Account. You cannot file the same expenses through an HSA and a General Purpose Flex Account.
- The elections for flex medical spending cannot be combined with elections for dependent day care (or vice-versa).
- Flex benefits end upon termination of employment.
- The only time you can change your election is during open enrollment OR if you have an IRS qualified status change event (to include marriage, divorce, legal separation, annulment, a change in hours from full-time to part-time or vice versa, returning from an unpaid leave of absence. The change in your election must be consistent with the event that triggered the change (e.g., birth of a child would allow you to increase your election to allow for the new expenses).
- **CURRENT YEAR FILING CLAIM TIME LIMITS:** Expenses must be incurred from July 1, 2018 through June 30, 2019. The deadline for filing paper claims is September 30, 2019.
- As the current Visa (“Benny”) cards slowly expire, they will be replaced by the new re-branded Visa cards that look like this. Please check the expiration date on your card



- You cannot use “new” flex dollars to pay for an old outstanding bill that you owe. Expenses must be INCURRED within the plan year. You cannot “prepay” for expenses before they have been rendered.
- You may receive a “receipt request” notification after you have used your Benny card. Do not ignore this request. If you fail to respond, the IRS requires that we deactivate your card. Mistaken transactions must be repaid to the account.

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DEPENDENT DAY CARE ACCOUNTS

- The maximum dependent day care election is \$5,000. This is a **family** maximum. If your spouse participates in a day care plan through another employer, your combined contributions cannot exceed \$5,000. If you are married and file a separate tax return, the maximum is \$2,500.
- **Expenses must be incurred within the plan year. The plan year is July 1, 2019 through June 30, 2020.**
- **You and your spouse must both be employed or actively seeking employment or attending school full time. If your spouse has no income, you cannot use this account.**
- The dependent child must be under 13 years old and must qualify as a dependent under federal tax rules. In addition, the dependent must spend at least 8 hours per day in your home.
- An eligible dependent may also include your mentally or physically impaired spouse or a dependent that is incapable of caring for himself or herself (for example, an invalid parent).
- The services may be provided inside or outside your home but not by someone who is your minor child or dependent for income tax purposes (for example, an older child) or a spouse.
- The provider of services **MUST** claim the payments as INCOME. You will be required to provide a Tax ID# or Social Security Number for the individual providing the services.
- The services must be incurred to enable you or you and your spouse if you are married to be employed. **If you do not have full custody, you can only claim expenses for the time period when you have custody of the child(ren) and the expenses are necessary so you can go to work.**
- Services must be for the physical care of the child and do not include education, meals or transportation or registration fees for camps or special classes.
- **Expenses cannot be reimbursed before the services have been rendered.** For example, the summer camp may require payment in advance or a deposit in advance, but the expenses cannot be reimbursed to you until the child actually completes the camp.
- Contributions are available as deductions are taken from payroll. This is a “pay as you go” account and the account will not advance money prior to payroll contributions.
- The following expenses ARE eligible: Child care centers, family day care providers, babysitters, nursery schools, caregivers for a disabled dependent or spouse who lives with you, nanny services.
- The following expenses ARE NOT eligible: Dependent day care expenses provided to one of your dependents by a family member unless the family member is over the age of 19 and will not be claimed as a dependent, expenses for food and/or clothing and/or registration fees are NOT eligible, Education expenses from kindergarten on are NOT eligible, overnight camps are NOT eligible.
- Once you make your election, you may not be able to change it mid-year unless you have a qualified IRS regulated status change event (as described on the previous page). In addition, the dependent day care account does offer a “change in the cost” status change event.