



# Healthcare & Dependent Care Flexible Spending Accounts (FSAs)

## 2024 Plan Summary



The Healthcare FSA and Dependent Care FSA are voluntary accounts that allow you to pay for eligible out-of-pocket healthcare and dependent care expenses with pre-tax dollars. You decide the annual amount you want to contribute, and contributions are taken from your paycheck each month before taxes. With either account, you benefit from having less taxable income on each of your paychecks, which means more spendable income to use toward your eligible healthcare and dependent care expenses. The accounts are administered by WEX.

### ELIGIBILITY & ENROLLMENT

Full-time (75% FTE or more) appointed academic and staff employees (including IU residents) are eligible to participate in the plan.

Enrollment is governed by IRS regulations, and is only allowed during the annual Open Enrollment period, within 30 days of an IRS-qualifying life event (e.g. birth or change in marital status), or within 30 days of hire or transfer into an eligible position. New enrollments and election changes are not permitted during November and December.

### TYPES OF ACCOUNTS

- 1 Healthcare FSA:** Allows for reimbursement of qualifying out-of-pocket medical, prescription, vision, hearing, and dental expenses not covered by insurance for you, your spouse, and your eligible dependents.

For participants also enrolled in a Health Savings Account (HSA), eligible expenses are limited to vision and dental expenses, and post-deductible medical expenses.

- 2 Dependent Care FSA:** Allows for reimbursement of eligible child and/or elder care expenses that allow you and your spouse to work. Such expenses include day care, before- and after-school care, nursery school, preschool, and summer day camp.

### CONTRIBUTION MINIMUMS & MAXIMUMS

All contributions to the spending accounts are made by the employee. There is no minimum contribution requirement.

**Healthcare FSA: \$3,050 per employee**

Spouses can each have their own Healthcare FSA with a \$3,050 contribution.

**Dependent Care FSA: \$5,000 per household**

Spouses can each have their own Dependent Care FSA but their combined elections cannot exceed \$5,000 (\$2,500 each for married employees who file their income taxes separately).

### AVAILABILITY OF & ACCESS TO FUNDS

#### Availability of Funds

When you enroll in the Healthcare FSA, your account is funded with your entire annual pledge in a lump sum.

Throughout the year, you pay your account back with pre-tax payroll deductions.

For the Dependent Care FSA, your annual pledge is divided over the number of pay periods in the year, and your account is funded with each pre-tax payroll deduction.

### Accessing Funds

When an eligible expense is incurred, you can access your FSA funds to pay for eligible expenses in the following ways:

- Use the IU Benefit Card.**

The IU Benefit Card is a debit-type Visa card that allows you to pay for eligible expenses from either Healthcare FSA, HSA, or both.

You simply swipe the card to pay the expense. The IU Benefit Card cannot be used to pay for dependent care expenses.



- Pay Your Provider Online.** You can also use your IU Benefit Card to pay your healthcare provider online or pay for your mail order prescriptions.
- Reimburse Yourself.** If you pay for an eligible expense out-of-pocket, you can submit a claim to WEX to be reimbursed from your Healthcare or Dependent Care FSA. Claims payments are deposited directly to your checking or savings account.

Be sure to save your receipts—when you submit a claim, you'll need to substantiate it with documentation (i.e. receipts).

### PLAN YEAR & DEADLINES

**Healthcare FSA:** All claims must be incurred between January 1 and December 31 (or your benefit enrollment period). Claims must be submitted to WEX no later than February 28 of the following year. A maximum carryover amount of \$610 for 2024 (\$570 for 2023) will automatically roll over to the following plan year. After February 28, any unused funds above the carryover amount are forfeited.

**Dependent Care FSA:** All claims must be incurred between January 1 and March 15 of the following year (or your benefit enrollment period). Claims must be submitted to WEX no later than April 15 of the following year. Any unused funds in the account after this deadline are forfeited.

## WHEN YOU ENROLL IN BOTH THE HEALTH SAVINGS ACCOUNT (HSA) & HEALTHCARE FSA

When enrolled in both an HSA and the Healthcare FSA, your FSA funds can only be used for dental and vision expenses until you meet your annual HDHP deductible. Proof of meeting your deductible must be provided to WEX. Once your deductible is met for the year, FSA funds can then be used for medical and prescription expenses from that date forward.

## ELIGIBLE EXPENSES

**Healthcare FSA:** Expenses must be incurred by the employee, spouse, or eligible dependent (age 25 or under). Examples of eligible expenses are:

- Certain over-the-counter (OTC) items and medicines\*
- Dental care and orthodontia
- Hearing aids and related expenses\*
- Medical deductibles, copays, and coinsurance\*
- Menstrual care products\*
- OTC COVID-19 tests\*
- Personal protective equipment (PPE) e.g. face masks, hand sanitizer, and sanitizing wipes\*
- Prescription drugs\*
- Prescription eye glasses, frames, and contacts
- Radial keratotomy and LASIK
- Routine care and physical exams\*
- Smoking cessation programs\*
- Transportation and parking required for medical services\*
- Vision and dental deductibles, copays, and coinsurance
- Weight loss programs prescribed by a physician to treat diagnosed obesity (BMI=30 or greater)\*

*\*These expenses are not eligible if you're also enrolled in an HSA and your annual HDHP deductible has not been met.*

**Dependent Care FSA:** Generally, expenses are eligible for the following dependents: children less than age 13, totally disabled dependents, and dependents otherwise eligible for federal income tax purposes, if all of the following conditions are met:

1. The employee is unmarried, or if married, both the employee and spouse work or are looking for work (or the spouse is a full-time student or is totally disabled); and
2. The expense is incurred within the plan year (or grace period) enabling the employee and spouse to work; and
3. The expenses are paid to someone who is not also the employee's dependent for federal income tax purposes and the caregiver reports the income for tax purposes; and
4. If divorced, separated, or living apart, the employee or their spouse is the custodial parent; and

## ACCESS YOUR ACCOUNT 24/7

Log in to [benefit-info.com/iu](https://benefit-info.com/iu) or download the IU HSA/FSA mobile app for 24/7 access to your account:

- Check your balances
- Submit a claim for reimbursement
- Contact WEX customer service
- and more!

Follow [these instructions](#) to get started.



5. The services are not provided free of charge or for a period of time when the employee or spouse is providing the care, i.e., on vacation or leave; and
6. If provided by a day care facility, the facility meets all State and Local regulations; and
7. If for elder care, the elder dependent lives in the employee's home at least 8 hours per day; and
8. The charges will not be claimed as a Federal Child Care Credit against Federal income taxes.

## CONSIDERATIONS BEFORE ENROLLING

Because FSAs are governed by Section 125 of the Internal Revenue Code, there are specific rules and regulations that affect the way they operate.

- **Elections must be made in advance.** You must decide before the beginning of the plan year how much you want to contribute to your account(s).
- **You can only change your election mid-year under limited circumstances.** Once you have made your election for the year, you can only change it if you experience an IRS-qualifying life event (e.g. marriage, divorce, birth or death of a dependent, etc.). The change in your election must coincide with the event and be submitted within 30 days of the event date.
- **Money from one account cannot be used for the other account's expenses.** Healthcare FSA funds can only be used for eligible healthcare expenses, and Dependent Care FSA funds can only be used for eligible dependent care expenses. Funds cannot be transferred from one account to the other for any reason.
- **If you use your FSA funds for an expense, you cannot also take a tax deduction or claim a tax credit for the same expense.**

## Want more information on this plan?

Visit the IU Benefits website or contact AskHR at [askhr@iu.edu](mailto:askhr@iu.edu) or 812-856-1234. Already enrolled? Log in to [benefit-info.com/iu](https://benefit-info.com/iu) or contact WEX at [IUSupport@wexinc.com](mailto:IUSupport@wexinc.com) or 800-284-8412.

*This sheet is designed to summarize the Healthcare and Dependent Care Flexible Spending Accounts (FSAs) offered by Indiana University to eligible employees. The university reserves the right to amend or terminate the plan at any time.*