



## *Flexible Spending Accounts*

We are pleased to announce that we are offering a new benefit to Regular Full Time (30 or more hours per week) lay employees. Flexible Spending Accounts can assist you in saving money on your qualified healthcare and/or dependent care expenses.

This benefit works by allowing you to have money deducted from your paycheck and set aside in an account not subject to payroll taxes. The savings occurs by paying expenses with these pre-tax dollars as opposed to money that has been taxed. Your tax bracket determines the amount of money that is saved. For example, you could save \$22.00 for every \$100.00 spent if you are in the 22 percent tax bracket.

### **Healthcare Flexible Spending Account**

A Healthcare FSA allows you to use pre-tax dollars to pay for certain eligible healthcare expenses. This FSA can cover expenses such as deductibles, copays, dental and vision expenses, prescription drugs, and certain eligible over-the-counter items for you and your family.

### **Dependent Care Flexible Spending Account**

Dependent Care FSA allows you to use pre-tax dollars to pay for certain out-of-pocket expenses related to dependent care such as daycare, nursery school, and day camp for children, as well as services for adult dependents who cannot care for themselves.

### **Enrollment Period**

New hires are offered this benefit with the standard wait period of the first of the month following 60 days of employment. This benefit is elected through the Benefit Focus website. Everyone is able to enroll or disenroll during a subsequent enrollment period each fall, or with a qualifying life event.

### **Important Note**

You should estimate your Healthcare and Dependent Care expenses carefully so that you can choose your annual FSA election amounts. This is because any money left unspent at the end of the year will be forfeited. However, the regulations surrounding Healthcare FSA plans have improved over the last few years. The IRS now allows up to \$500 of unused Healthcare FSA funds to be carried over to the next plan year. Please be aware that any money left unspent at the end of the year with a Dependent Care FSA plan cannot be carried over to the next plan year, unlike the Healthcare FSA plan.

### **How it Works**

There are multiple options to access the FSA funds including a debit card option or manual claims submission. You can manage your FSA accounts using a secure web portal and mobile app to monitor account balances and submit requests for reimbursements. Another convenient feature is an expense scanner in the mobile app, which allows you to scan the item bar code to determine what over-the-counter items are covered.

For questions, please contact the Diocesan Human Resources department at [svincent@charlestdiocese.org](mailto:svincent@charlestdiocese.org).

*Enroll at <https://workforcenow.adp.com/>*