

FLEXIBLE SPENDING ACCOUNTS

WHATARETHEY?

Flexible Spending Accounts (FSAs) are reimbursement accounts that allow you to pay for certain eligible expenses with tax-free dollars. Through a pre-tax salary deduction, you can convert taxable income into non-taxable benefits. The result is 15% to 40% more take-home pay! If you already have to pay for medical and/or dependent care expenses, why not pay for them with tax-free dollars?

HFAITH FSA

Health FSAs can be used to pay for eligible medical, dental, and vision expenses that are not covered by insurance. These expenses can be incurred by you, your spouse, and your dependents. A general listing of reimbursable expenses can be found in this brochure.

PRE-TAXING INSURANCE PREMIUMS

The Pre-taxing of Insurance Premiums is another way to save in taxes. By allowing you to pay for certain insurance premiums with pre-tax dollars, this tax-savings method enables you to convert eligible premiums from an after-tax basis to a pre-tax basis, therefore increasing your take-home pay (see table for example). The nickname "Cafeteria Plan" comes from the idea that you can pick and choose the parts of the plan in which you want to participate.

DEPENDENT CARE FSA

Dependent Care FSAs can be used to pay for eligible dependent care expenses that are incurred so that you and your spouse can work or attend school full-time. Covered expenses must be for dependent children under the age of 13 or for a person of any age that you can claim as a dependent on your tax return.

NO FSA	MONTHLY	FSA
2,000.00	Gross (Pre-tax) Income	2,000.00
-	Health FSA	100.00
-	Health Insurance (Pre-tax)	100.00
2,000.00	Taxable Income	1,800.00
553.00	Taxes Paid (27.65%)	497.70
100.00	Health Insurance (After-tax)	-
1,347.00	Take-Home Pay	1,302.30
100.00	Out-of-Pocket Medical Costs	-
\$ 1,247.00	TOTAL TAKE-HOME PAY	\$ 1,302.30

Savings of \$55 a month or \$660 a year!

HEALTH FSA

Common Eligible Expenses

- Co-pays
- Deductibles
- Prescription Drugs
- Dental Fees
- Orthodontics
- Chiropractor Fees
- Eye Exams
- Frames/Lenses
- Contacts/Lens Solution
- Lasik Eye Surgery
- Diabetic Supplies
- Over-the-counter Items

Medical expenses for cosmetic purposes are not covered. Please refer to our website at https://glynn.info for additional eligible and non-eligible expenses.

Making Your Annual Contribution

At the time of enrollment, you must estimate the amount of money that you anticipate you and your dependents will spend during the next plan year on out-of-pocket medical expenses. Your employer will deduct an equal amount from each paycheck on a tax-free basis.

Contribution Limits

In 2013, the IRS limited the annual health FSA maximum to \$2,500. This limit is indexed for inflation based on the CPI (Consumer Price Index) and is subject to change year over year.

For plan years beginning in 2020, the annual maximum is \$2,750.

The Claim Filing Deadline

The deadline for submitting claims is the end of the "run-out period," which is typically 60 to 90 days following the end of the plan year. Claims received after the end of the run-out period will be denied.

Process For Reimbursement

Expenses must be incurred during the plan year and qualify as an eligible expense.

Your total annual elected amount is available at the beginning of the plan year. You may request reimbursement anytime you have an eligible expense or wait and file at year-end.

When filing for reimbursement, we will need a reimbursement request form with acceptable documentation.

To meet IRS regulations, an itemized bill from your service provider or an Explanation of Benefits (EOB) from your insurance carrier is required.

Claims can be submitted by:

- Fax
- Online claim submission
- Mail

Your employer determines the frequency of reimbursement.

Modified "Use it or lose it" Rule

If you have funds remaining at the end of the plan year, they may be lost unless your employer allows for a carryover or grace period benefit.

The **carryover benefit** enables you to carry over up to \$500 (as indexed by inflation) to pay for qualified medical expenses that occur in the following plan year.

For plan years beginning in 2020, the carryover maximum is \$550.

The **grace period benefit** gives you up to an additional 2 1/2 months to incur eligible expenses after the plan year has ended.

Your employer cannot offer both the carryover and a grace period benefit and is not required to allow either.

DEPENDENT CARE FSA

Eligible Expenses

- Dependent care must enable you and your spouse to be employed or attend school fulltime.
- The child must be under the age of 13 and claimed as a dependent under federal tax rules.
- Services must be for the physical care of the child, not education, meals, etc.
- Qualified dependent care expenses also include costs for the care of a spouse or dependent who is incapable of self-care and regularly spends at least 8 hours per day in your home (for example, aninvalid parent or child).

Typical Dependent Care Providers

- Child Care Centers & Nursery Schools
- Pre-School & After School Care (Tuition expenses must be kept separate.)
- Summer Day Camps
- Private sitters, who are not your dependent, in your home or at another location

Making Your Annual Contribution

At the time of enrollment, you must determine how much money you will spend on dependent care during the next plan year. Your employer will deduct an equal amount from each paycheck on a tax-free basis.

Contribution Limits

The IRS has set the annual maximum allowable contribution amounts for a dependent care account.

- \$5000 for a married couple filing jointly
- \$5000 for a single parent
- \$2500 for a married person filing separately

Process For Reimbursement

Expenses must be incurred during the plan year to qualify as an eligible expense.

The IRS requires the following information to be sent along with a reimbursement request form:

- Provider of dependent care services
- Tax ID number or SSN of provider
- · Dates of service
- · Name of dependent
- Amount paid

Unlike the health FSA, dependent care reimbursements are available to you only for the amount that has been withheld from your paycheck.

Claims can be submitted by:

- Fax
- Online claim submission
- Mail

Your employer determines the frequency of reimbursement.



QUESTIONS & ANSWERS

Can I make changes to my plan during the year?

Maybe. Federal regulations allow you to pay for certain expenses on a tax-free basis, and the government requires that your election remains in effect until the end of the plan year. However, these regulations do allow exceptions for a qualifying change of status.

Qualifying change of status includes:

- Marriage
- Divorce
- · Birth or adoption of a child
- Child loses eligibility
- · Spouse gains or loses employment
- You or your spouse take an unpaid leave of absence

How can I check my Health FSA and Dependent Care FSA balances?

You can check your balances online by logging into your account at https://glynn.info, or by contacting our office.

Should I take the federal income tax credit instead of participating in a Dependent Care FSA?

In most cases, the dependent care FSA is a better tax benefit. However, you should consult a qualified tax advisor in making your decision.

Instead of participating in a Health FSA, shouldn't I just take these deductions off my tax return?

IRS regulations state that only medical expenses exceeding 10% of your adjusted income can be deducted from your income taxes.

I have heard about the FSA Debit Card. How can I get one?

Your employer must subscribe to this service. Contact your HR administrator and let them know you are interested.

Where can I get additional information on Health and Dependent Care FSAs?

Additional information is available on our website, https://glynn.info. There, you will find educational materials, forms, more Q&As, and important updates. Also, feel free to contact us through the website or call if you have additional questions.

Glynn Griffing & Associates is dedicated to providing our participants with professional assistance and customer service. We are committed to helping our participants recognize the financial benefit of Cafeteria Plans.



Visit us at https://glynn.info for more information on Flexible Spending Accounts.

Mailing Address: P.O. Box 16509

Jackson, MS 39236

OfficeLocation: 1771 A Lelia Dr.

Jackson, MS39216

Phone: (601) 982-0331 Toll-Free: 1-800-326-4885

Claims Fax: (844) 859-7308 Email: support@glynn.info

Office Hours: Mon. - Thurs. 8:30am to 4:30pm and Fri. 8:30am to 4:00pm

Mississippi Department of Transportation Flexible Spending Account Overview

Important Dates

15 March

Grace Period Ends

You have until March 15 to incur expenses to use any remaining funds in your flexible spending account from the previous plan year.

31 March

Run-Out-Period Ends

You have until March 31 to request reimbursement for any expenses incurred during the previous plan year or during the grace period.

60 Days

Status Change

You have 60 days from a qualifying change of status to make changes to your FSA elections. Refer to your SPD for a list of qualifying events.

Flexible Spending Accounts

- Health FSA (Medical) Max is \$2,750
- Health FSAs can be used to pay for eligible medical, dental, and vision expenses that are not covered by insurance.
- Dependent Care FSAs can be used to pay for eligible dependent care expenses that are incurred so you or your spouse can work or attend school full-time.

Reimbursements

- Reimbursements are processed daily and either paid by direct deposited or mailed to the employee.
- Reimbursements may be submitted online, by fax, mail, or delivered in person.

Acceptable documentation should be submitted with all Reimbursement Requests and should include:

- Provider's Name
- Date(s) of Service
- Detailed statement of services rendered or an EOB (Explanation of Benefits)
- Amount charged for each procedure
- Person who received the service

Debit Cards

- Debit cards are issued for 3 years and will be activated upon first use.
- The FSA Debit Card is accepted at healthcare and IIAS certified non-healthcare merchants.
- IIAS certified pharmacies include: Walmart, Walgreens, Sam's Club, Kroger, CVS, Fred's, Target, and many other local merchants

Things to Remember

- Your FSA Debit Card is pre-loaded with your annual election.
- Your FSA Debit Card can be used during the Grace Period to use any leftover funds from the previous year.
- You should keep all itemized bills in the event you are asked to submit them for eligibility verification per IRS regulations.
- You may receive an email requesting documentation be submitted to verify a debit card swipe. Failure to send the requested documentation by the specified date may result in your card being temporarily deactivated.



Get the most out of your FSA account with instant access to powerful mobile account tools—anywhere, at any time.

Mobile App Features

- Access accounts Check your account balances, transaction history, and other account details.
- Manage claims Check the status of your claims, submit a new claim, and upload requested receipts.
- Scan for eligibility Check for item eligibility with the barcode scanner.
- Access cards Manage your card details, access your PIN, and initiate a card replacement if your card has been lost or stolen.
- Reactive alerts View important account messages regarding your spending accounts.
- Update your profile Update your personal information, including your email and mobile phone number.

Mobile Convenience

For ultimate convenience, you can access your accounts directly from your tablet or mobile device 24/7.

Additionally, you can add your insurance plan and search for providers with Find Care.

Getting Started

- Search for "GGA myBenefits Mobile" in the iTunes or Google Play store
- Select "Install"
- Login if you've previously registered, or register directly from the mobile app
- Registration will require your employee ID (your SSN), employer ID, and a valid email address

If you have any questions, email support@glynn.info or contact our office at (601) 982-0331.



What is a Valid Receipt?

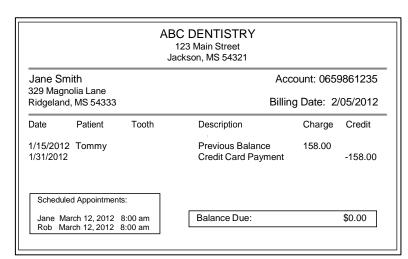
The IRS requires us to collect specific information to verify the purchases made with your flex debit card.

Acceptable documentation should include:

- Provider's name
- Date(s) of service
- Detailed statement of services rendered or an EOB (Explanation of Benefits)
- Amount charged for each procedure
- Person who received the service

Bad Receipts

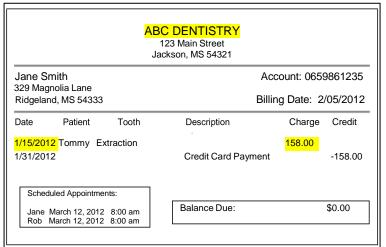




Service Description Missing

Good Receipts





Phone: (601) 982-0331

Claims Fax: (844) 859-7308

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