

Dependent Day Care Flexible Spending Account (FSA)



Enroll in a Dependent Day Care FSA & save money on your day care expenses!

If you are paying for day care for your child who is under the age of 13 OR for a spouse or dependent who is not able to take care of himself or herself, you should consider enrolling in a dependent day care FSA. This account allows you to set aside money on a pre-tax basis to pay for eligible dependent care expenses such as:

- Licensed day care provider
- In-home provider as long as the care provider is not your child under age 19, or someone you claim as a tax dependent
- Summer camps (not overnight)
- Tuition through preschool
- Before and after school care (under age 13)

How does it work?

It's simple! First, estimate the dependent day care expenses you plan to incur during the year and determine your contribution amount. Keep in mind, the IRS lets you set aside up to \$5,000 a year per family. The amount you choose to contribute will be taken out of your paycheck in equal amounts each pay period. Once your dependent has received the day care service during the plan year, you can then submit a claim for reimbursement and enjoy the pre-tax savings!

Why should I enroll in a Dependent Day Care FSA?

On average an FSA could save you between 23-30% in taxes depending on your contribution. This is because you are not paying federal income or social security taxes on the money placed in an FSA.

For example: Let's say you have an annual salary of \$50,000 and decide to contribute \$4,000 toward a dependent day care FSA. Since your contribution is on a pre-tax basis, you could save approximately **\$826!**

Claim filing tips from PayFlex®

Eligible dependent care expenses may be incurred between January 1, 2012 and December 31, 2012. You have until March 31, 2013 to submit your claims for reimbursement. Any funds remaining in your account after March 31, 2013 will be forfeited, so it is important to estimate your expenses carefully.

Dependent care services must have been provided or received:

In order to get reimbursed for day care expenses the services need to have been provided or received. Claims may be submitted for the current month of service but not in advance.

For example: If you pre-pay for a summer day camp, you cannot get reimbursed for your expenses until your dependent attends the camp.

If your FSA balance is more than the claim amount:

If the amount of your claim is less than your available balance, then the entire claim is marked for payment. Either a direct deposit or a check will then be issued to you for the full amount of the claim.

If your FSA balance is less than the claim amount:

If the amount of the claim is greater than your available balance, you will only be reimbursed for the amount that is available in your dependent day care account. Either a direct deposit or a check will then be issued to you for the available balance. When the next deposit is made into your dependent day care account, you will then be reimbursed for the remainder of the claim, up to the amount of the deposit. This process automatically continues until the entire claim has been paid or until the election amount has been met.

File your claims online at HealthHub.com:

Filing a claim online is fast and easy! Starting January 1, simply login to HealthHub.com by selecting **Employee Account Login**, enter your username & password and under **Quick Links**, then click on **File a Claim**.

