

Save Tax Dollars

Enroll in the 2019 Flexible Spending Accounts

UCOR offers both the Health Care Flexible Spending Account and the Dependent Care Accounts to UCOR active employees. The following provides a brief summary of information on both of these accounts. For more details or if you have questions you may contact PayFlex at (888) 678-8242. If you are interested in saving tax dollars, enroll during the 2019 Annual Enrollment period, November 13 through November 22, 2017 at Single Source 1 at (888) 890-5631 M-F 8:00 am to 5:00 pm CST or online at www.hrbenefitsadvantage.com.

HEALTH CARE FLEXIBLE SPENDING ACCOUNT

A Health Care Flexible Spending Account (HCFSA) allows you to be reimbursed for medical expenses for yourself or any eligible IRS dependents. These contributions are deducted from your paycheck on a pre-tax basis. Withdrawals from the account are tax-free as long as they are used for eligible medical expenses. **In 2019 UCOR will allow employees to contribute up to \$2,650.00 per calendar year to an HCFSA.**

NOTE: If you elect the Consumer Directed Health Plan (CDHP) option for your 2019 medical coverage, you will not be eligible to elect a Healthcare Flexible Spending Account. The CDHP option is Health Savings Account (HSA)-qualified and you should consider the advantages of establishing an individual HSA account. Please see the 2018 Annual Enrollment Guide for additional HSA information.

HCFSA PAYFLEX DEBIT CARD

UCOR will continue to utilize a full PayFlex Debit Card. You can use the debit card to pay for eligible expenses, such as, insurance co-pays, deductibles, prescription expenses, and eligible over-the-counter items.

Providers who accept MasterCard will also accept the PayFlex debit card. This includes doctor and dental offices, hospitals, pharmacies (including mail-order), and vision care centers. You may also use your PayFlex debit card at some discount and grocery stores that have systems designed to process health care cards.

When you enroll in the Health Care Flexible Spending Account you will receive more details on using the PayFlex debit card, including information on how to activate your card. If you currently have a PayFlex debit card, and elect to enroll in HCFSA for 2019, that card will be loaded with your 2019 election amount. If you have questions regarding the PayFlex Debit card, contact PayFlex at (888) 678-8242.

HCFSA EMPLOYEE CONTRIBUTIONS

Contribution limits to your HCFSA are regulated by the Internal Revenue Service (IRS). The annual amount that you elect during annual enrollment will be spread out evenly and deducted from your paycheck, pre-tax throughout the calendar year (52 payments). Example: An annual election of \$1,040 would be \$20 per pay check ($\$1,040 / 52 = \20).

This benefit has a "USE IT OR LOSE IT" rule. If you do not spend all of the funds in your account by the end of the specified period, you will forfeit the remaining balance in your account. Please see Grace Period on page 2 for more information.

HCFSA ELIGIBILITY

Employees do not need to be enrolled in a UCOR medical insurance plan or any other type of medical insurance plan in order to participate in the Health Flexible Spending Account.

HCFSA ELIGIBLE EXPENSES

You may use your Health FSA dollars to pay for a wide variety of expenses including your medical insurance co-payments, deductibles, coinsurance, prescription drug costs, dental costs, eye care and much more. PayFlex provides a full list of eligible medical expenses at www.PayFlexDirect.com. You may also view IRS publications 502 and 969 for more information. Over-the-counter medications require a doctor's note or prescription supporting reasons for medical necessity.

HCFSA REIMBURSEMENT OF EXPENSES

As you incur out-of-pocket expenses and file claims, whether you use your PayFlex debit card or if you file manually, you will be reimbursed the entire out-of-pocket expense, up to your annual election. For example, if you file a claim for a reimbursement of \$300 and you only have had \$100 in your HCFSA, you will receive the full reimbursement of \$300, up to your annual election. This feature helps you budget for deductibles and co-insurance that may occur early in the year.

DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

A Dependent Care Flexible Spending Account (DCFSA) is also a pre-tax payroll deduction which allows you to be reimbursed for eligible expenses (tax-free) for the care of one or more qualifying IRS dependents that enables you (and a spouse, if applicable) to work or look for work. Qualifying dependents may be defined by the IRS as children under the age of 13, your spouse, or a qualifying child or relative who is physically or mentally incapable of self care.

DCFSA EMPLOYEE CONTRIBUTIONS

Employees may contribute up to a **\$5,000** per year household maximum into a **Dependent Care Flexible Spending Account (DCFSA)**. This means if you and your spouse are both contributing to a DCFSA, no more than \$5,000 combined between you and your spouse within a calendar year can be contributed. The annual amount that you elect during open enrollment will be spread out evenly and deducted from your paycheck, pre-tax throughout the calendar year (52 payments). Example: An annual election of \$3,000 would be \$75 per pay check ($\$3,000 / 52 = \75).

This benefit has a "USE IT OR LOSE IT" rule. If you do not spend all of the funds in your account by the end of the specified period, you will forfeit the remaining balance in your account. Please see Grace Period for more information.

DCFSA ELIGIBILITY

To be eligible for a dependent care flexible spending account, an employee must pay an outside organization or caretaker to provide day care services to an IRS dependent which allows them to work. Typical expenses reimbursed from a Dependent Care Flexible Spending account are daycare, day camps, or nursing care for an incapacitated or handicapped dependent. Overnight camps are NOT an eligible expense under this program. You should contact PayFlex at (888) 678-8242, if you have questions on whether a specific expense would be reimbursable from your Dependent Care FSA.

DCFSA REIMBURSEMENT OF EXPENSES

The dependent care flexible spending account differs from the Health Flexible Spending Account in that monies are not available until they have been deposited into your DCFSA.

GRACE PERIOD

You will have until March 15, 2019 to use all of your 2019 FSA election dollars. All claims must be received by PayFlex by March 31, 2020 for reimbursement for those expenses. Expenses incurred between January 1, 2019 and March 15, 2020 will always apply toward the prior plan year first and then toward the current plan year.

MAKING CHANGES

Once you enroll in your Flexible Spending Account, you are not permitted to make changes to the annual contribution unless you have a qualifying mid-year event. You may not elect an amount less than what you have already contributed year to date. For more information on making mid-year changes, please contact PayFlex or Single Source 1 at the numbers or websites below.

ACCOUNT ACCESS AND QUESTIONS

You are able to access your account information 24 hours/7 days per week via www.PayFlexDirect.com or via the Aetna Navigator at www.AetnaNavigator.com. You can also call PayFlex at (888) 678-8242.

If you have any questions regarding FSA, please contact PayFlex at (888) 678-8242 or the Single Source 1 Call Center Support at (888) 890-5631 8:00 am to 5:00 pm CST.

ENROLL

To enroll in the Health and/or Dependent Care Flexible Spending Account(s), you will need to contact Single Source 1 at (888) 890-5631 M-F 8:00 am to 5:00 pm CST or online at www.hrbenefitsadvantage.com during Annual Enrollment, November 12 through November 20, 2018.