

# Save Money on Your Health and Dependent Care Expenses – It's Easy!



UCOR offers **two Flexible Spending Accounts (FSAs)** to help you set aside money (pre-tax) for eligible health care and dependent care expenses – for you and your eligible IRS dependents. The money is deducted from your paycheck before taxes are taken out, just like your medical premiums (or other pre-tax deductions). You can elect to contribute up to the current IRS limits of \$3,200\* in the Health Care FSA and up to \$5,000 in the Dependent Care FSA for the 2025 plan year.

## Important Change for 2025!

**Beginning January 1, 2025, HSA Bank will become the new administrator for our Flexible Spending Accounts.**

If you have an existing FSA through Inspira, you will have until March 31, 2025 to send in receipts for your expenses through December 31, 2024 before your account is closed-out and any allowed carryover funds rollover into an account through HSA Bank. There will be a transition of your existing account(s) from Inspira (formerly called PayFlex) to HSA Bank during Q2 2025.

For more information about your FSAs, visit the HSA Bank learning center at <https://hsabank.com/HSABank/Learning-Center>.

**ACTION REQUIRED!** For the 2025 plan year, current employees must enroll or re-enroll for the Health Care FSA and/or Dependent Care FSA during 2025 Annual Benefits Enrollment. New hires must enroll when eligible for benefits during the new hire enrollment period to participate in FSAs for the current year, and then they must enroll during Annual Benefits Enrollment for the upcoming year.

## You can use an FSA for the following eligible expenses (sample list)

### Health Care FSA\*\*

- Any costs above what your health plan pays, including deductibles and copays
- Prescriptions
- Over-the-counter drugs prescribed by your doctor
- Certain non-drug over-the-counter items, such as contact lens cleaner and bandages

### Dependent Care FSA

- Licensed nursery school and childcare centers
- Private day care providers and nannies
- Licensed care for disabled dependents
- Care for an elderly parent whom you claim as a dependent on your federal income tax return
- Education expenses for a child not yet in the first grade, such as day care expenses

You cannot use the Health Care FSA to pay for dependent care expenses, and you cannot use the Dependent Care FSA to pay for health care expenses. If you expect to incur expenses like those shown above, you should consider enrolling in an FSA. Visit [www.hsabank.com](http://www.hsabank.com) or refer to IRS Publications 502 and 503, to get a full list of eligible expenses for both FSAs.

## See how you save

### FSAs reduce your taxable income.

Consider how Susan saves. She sets aside **\$1,500** in an FSA for the year. She incurs **\$1,500** worth of eligible expenses.

### Susan saves



**\$330**

22% federal  
income tax

Susan's tax savings mean she pays only **\$1,170** for **\$1,500** of expenses.



**Susan pays \$1,170**

This hypothetical illustration is for educational purposes only. Dollar amounts or savings will vary depending on income, state and city tax rules, and other factors.

**Note:** Health Care FSA contributions may be limited for highly compensated employees (HCE). HCEs are not eligible to participate in the DCFSAs. For 2025, the 2024 HCE gross earnings threshold is \$155,000. For more information, visit [www.hsabank.com](http://www.hsabank.com).

**READ MORE >**

\*Note: The 2025 IRS contribution limit will be finalized in late fall 2024.

\*\*If you elect a Consumer Directed Health Plan (CDHP) option for your 2025 medical coverage, you will not be eligible to elect a Health Care FSA.

## Ready to contribute? Key things to know!

If you elect \$1,500 for the year, you'll see a deduction of \$31.25 per paycheck.

### Participating in an FSA takes a little planning.

You'll need to think about expenses you may have for either or both accounts when deciding how much to contribute. Remember, if you have a Health Care FSA balance left from 2024, it will carry over into 2025, up to the IRS limit. Plus, the IRS has some rules to keep in mind. Here's some key things to know:

- **You don't need to be enrolled in a UCOR medical insurance plan** or any other type of insurance plan in order to participate in the Health Care FSA or Dependent Care FSA.
- **FSAs have a "USE IT OR LOSE IT" rule.** You can incur expenses until the end of the plan year, and you can carry over up to \$640 of your unused balance in your Health Care FSA, otherwise you will lose any remaining funds left in your account at the end of the plan year.\*\*\* Unused funds in your Dependent Care FSA **do not** carry over and will be forfeited at the end of the plan year.
- **Once you enroll in an FSA, you cannot make changes** to the annual contribution unless you have a qualifying mid-year life event. You must initiate your qualified life event change within 31 days of the qualifying event. If you make a mid-year change, you may not elect an amount less than what you have already spent year to date.

## Paying for care

### Health Care FSA

#### ✓ You receive a HSA Bank Debit Card

Access the **entire amount you elect to contribute** once you open the account (even though your contributions will be spread out by paycheck).  
*Note: In the event your debit card is not available, you may also file a claim for reimbursement.*

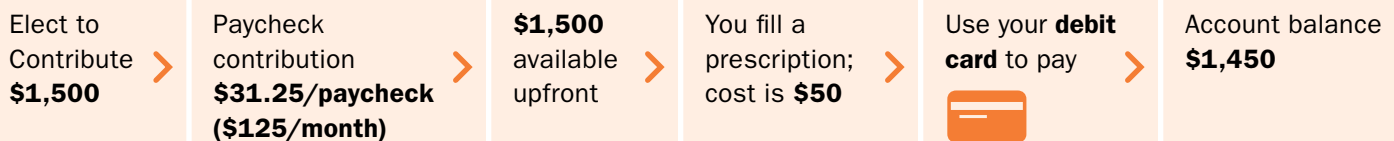
### Dependent Care FSA

#### ✓ You have to file a claim for reimbursement

Access the **contribution amounts as they are deducted** from your paycheck.

## How FSAs work

### Health Care FSA



### Dependent Care FSA



\*\*\*FSAs have a carryover feature for your 2024 dollars, allowing you to carry over up to \$640 of unused funds from 2024 to use toward expenses incurred in 2025. This does not impact how much you can contribute in 2025.

## GET ME STARTED >

To enroll in the Health and/or Dependent Care Flexible Spending Accounts, you will need to contact Empyrean at **1-800-451-8964** Monday – Friday, 8 a.m. to 5 p.m. E.T., or online at **MyGroupBenefits-UCOR-ORRCC.com** during 2025 Annual Benefits Enrollment.

Once enrolled, you can get your account information 24 hours/7 days a week via **www.hsabank.com**. You can also call HSA Bank at **1-800-357-6246**.