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Adding to your HSA – Limited Flexible Spending Account

Using a Limited Flexible Spending Account (Limited FSA) along with your HSA is an innovative way to increase your tax benefits. A Limited FSA acts similar to a general Flexible Spending Account (FSA), except that your services are limited to dental, vision and/or post deductible expenses. You can use the before-tax dollars in your Limited FSA to reimburse yourself for these types of expenses, resulting in greater tax savings and increased take-home pay. And that makes real sense.

What is a Limited FSA?

Here's how a Limited FSA works: Money is set aside from your paycheck before taxes are taken out, just like other pre-tax healthcare plans. You can then use your pre-tax Limited FSA dollars to pay for eligible vision, dental expenses and/or post-deductible healthcare expenses throughout the plan year. All other medical expenses can be taken from your HSA account. This way, you save money on expenses you're already paying for, like dental checkups, vision exams and eyeglasses. The amount of your pay that goes into a Limited FSA will not count as taxable income, so you will have immediate tax savings.

- A Limited FSA allows reimbursement of qualifying out-of-pocket expenses.
- A Limited FSA works with a qualified high deductible health plan (HDHP) and Health Savings Account (HSA). A Limited FSA can allow for reimbursement of vision, dental and post-deductible expenses. (Post-deductible expenses are expenses in excess of the IRS statutory limits for HSA eligibility).

Please check with your employer or your Flexible Benefit Plan Highlight Sheet on your online portal under the **Tools & Support** tab to see if a Limited FSA is available for you.

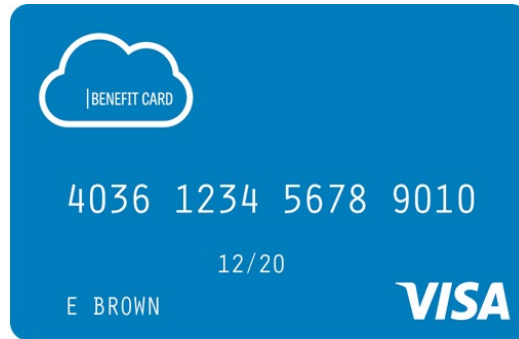
With an HSA and a Limited FSA, You Can:

A Limited FSA is a great way to pay for expenses with pre-tax dollars.

- Enjoy significant tax savings with pre-tax deductible contributions and tax-free distributions used for qualified expenses.
- Quickly and easily access funds using the prepaid benefits card (if available) at point of sale, or request to have funds directly deposited to your bank account via the online portal or mobile app.
- Enjoy secure access to your accounts using a convenient Consumer Portal available 24/7/365.

- Manage your HSA and Limited FSA “on the go” with an easy-to-use “Benefit Extras Mobile App” available from iTunes or the Play Store.
- File claims easily online (when required) and let the system determine approval based on eligibility and availability of funds.
- Stay up to date on balances and action required with automated email alert and convenient portal and/or mobile messages on your home page.

In addition, you *may* receive a convenient prepaid benefits card to make it easy to pay for eligible services and products not covered by your health insurance. When you use the card, payments are automatically withdrawn from your account, so there are no out-of-pocket costs. You will need to submit receipts to verify the purchase when requested. Just swipe the card and go. It’s that easy!



Why have a Limited FSA?

A Limited FSA could save you money if you or your dependents:

- Wear glasses or contact lenses or are planning LASIK surgery
- Need orthodontia care, such as braces, or have dental expenses not covered by your insurance
- Anticipate medical expenses over and above the minimum annual deductible applicable to HSA compatible health plans (post-deductible expenses). Post-deductible expenses are defined as medical expenses that are incurred after the minimum annual deductible applicable to an HSA-compatible high-deductible health plan (HDHP) has been satisfied.

To qualify as an HSA-compatible HDHP for 2022, the deductible limits are as follows:

Individual/Single = \$1,400

Family = \$2,800

To qualify as an HSA-compatible HDHP for 2023, the deductible limits are as follows:

Individual/Single = \$1,500

Family = \$3,000

MORE HELPFUL INFORMATION

On the **Home Page**, under the **Tools & Support** tab, you may find links that connect you to helpful information and resources that enable you to manage your healthcare more effectively.

You can also find additional information on Health Savings Accounts at the following resource:

- U. S. Department of the Treasury – [Health Savings Accounts \(HSAs\)](#)