

Looking to **s t r e t c h** your Healthcare and Daycare Flexible Spending Account (FSA)



With a Flexible Spending Account (FSA), you put money aside with which you pay eligible health and dependent care expenses that your insurance does not cover, such as copays. How much money you set aside in your FSA account is up to you, but the money you do set aside is exempt from federal, state and payroll taxes. Because the money you designate to go into your Flexible Spending Account is deducted before taxes are taken, you have more money in your paycheck because your taxable income is less! There is a limit to how much money you can put in your FSA, however, setting money aside in your account makes your taxable dollars less, which lets you hold on to more of your hard-earned money!

The PayFlex Debit Card

Signing up for the Healthcare Flexible Spending Account plan for 2008-2009 gives you the option of receiving a PayFlex debit card. You do not have to elect to use the debit card. If you do, when you use your debit card at a healthcare related merchant registered with IIAS, your purchase will automatically be approved, therefore, no receipts are needed to be submitted. Over 60 retailers such as CVS, H-E-B, Kroger, Randalls, Sam's Club, Target, Walgreens and Wal-mart have already implemented the IIAS (Inventory Information Approval System) to PayFlex. All drug stores and retail pharmacies must comply with the IIAS by October 2009. Unfortunately, **Daycare is not eligible for Debit Card use, but is still eligible for the Flexible Spending Account option.** The PayFlex Debit Card can only be used for the Healthcare Spending Accounts. It costs only \$9.00 for the entire year! There are no other fees! The \$9.00 fee will be deducted at the beginning of the plan year from your annual elected amount in your FSA. There are no administrative fees as of September 1, 2008. But, it is not accepted at gas stations, convenience stores, bookstores and restaurants, even though these businesses may offer over-the-counter-medicines.



Annual Enrollment is in July - Everyone must re-enroll annually!