

# **Flexible Spending Accounts - Open Enrollment**

**To:** Faculty and Staff  
**From:** Office of Human Resources  
**Date:** October 30, 2009



The open enrollment period for plan year 2010 for participation in the Health Care Spending Account (HCSA) and Dependent Care Spending Account (DCSA) begins November 2 and ends November 25, 2009. ***Enrollment forms are due in the Office of Human Resources by November 25.*** Open enrollment information, including the enrollment form and a list of eligible spending account expenses, is available at our [HR web site](#).

## **Health Care Spending Account (HCSA)**

You can contribute, on a pre-tax basis, up to \$6,000 from your pay into the HCSA in 2010.

You reimburse yourself from this account for eligible out-of-pocket health care, dental, and vision expenses. You do not pay federal, social security, Medicare, state, school, and local taxes on the amount you contribute to this account.

***You must elect to enroll in this account during open enrollment to participate in this account for plan year 2010; otherwise, you will NOT be participating in 2010.***

Remember: You must use the money contributed in the account during 2010 or during the grace period. ***If you do not use it, you lose it!*** Be sure to estimate your eligible expenses carefully.

Three other reminders regarding how this account works:

1. **Streamlining** – We will be using streamlining again in 2010. Streamlining is a default setting for all medical, dental, and pharmacy claims with Aetna will automatically be processed through your health care spending account. For example, if you owe \$40.00 as part of your 10% coinsurance for a medical claim, you will automatically receive a check for \$40.00 from your spending account. With pharmacy claims, your spending account dollars are used in real time at the point of sale. For example, if your share of the prescription is \$20.00, you will pay nothing out of your pocket at the point of sale and your spending account will pay the pharmacy your cost of \$20.00 from your spending account. If you want to turn streamlining off (perhaps you are saving your spending account dollars for a large expense later in the year), please visit [Aetna](#), log in as a member, and deselect the streamlining option.
2. **Direct Deposit** – You can enroll in direct deposit at Aetna to have your reimbursements automatically deposited in your checking or savings account.
3. **IRS Dependents** – Only IRS qualifying dependents are eligible for reimbursements under the health care spending account plan.

## **Dependent Care Spending Account (DCSA)**

You can contribute, on a pre-tax basis, up to \$5,000 into the DCSA.

You reimburse yourself from this account for eligible childcare or eldercare expenses incurred so that you or, if you are married, you and your spouse can work.

### **Remember:**

1. Children must be under age 13 for whom you are entitled to a deduction for a personal exemption on your federal income tax return;
2. If you and your spouse file separate tax returns, your contribution limit is \$2,500;
3. If you and your spouse file a joint tax return and your spouse does not contribute to a dependent care spending account, your contribution limit is \$5,000;
4. If you and your spouse file a joint tax return and your spouse **does** contribute to a dependent care spending account, your contribution limit is \$2,500;
5. **If you don't use the money** contributed to the account during the plan year, **you lose it!**; and,
6. ***You must elect to enroll in this account during open enrollment to participate in this account for plan year 2010; otherwise, you will NOT be participating in 2010.***

## **Life Status Changes**

During the year, you can only change your election within 31 days of a change in life or family status, such as marriage, divorce, birth of a child, etc... The change in election must be because of and consistent with the change in life/family status. Please contact the Office of Human Resources with any questions.

**Important:** *All Flexible Benefit Enrollment forms must be received in the Office of Human Resources by November 25, 2009. No exceptions. All faculty and staff must enroll in the flex spending accounts to participate in 2010 – your election for 2009 does not carry forward to 2010.*