

## **Health Savings Accounts and Flexible Spending Accounts FAQ**

### ***How do Flexible Spending Accounts (FSA) work?***

You elect an annual contribution which will be deducted on a pre-tax basis from each of your paychecks in equal amounts.

Your health and/or dependent care FSA contributions for 2022 must remain in effect through Dec. 31, 2022. IRS regulations do not allow increases, decreases, or cancellations of contributions during a plan year unless you have a qualifying life event such as marriage, divorce, birth, death, etc. Any FSA contribution changes you make must be consistent with the type of life event. Proof of the life event (qualifying event) is required and must be submitted to HR within 30 days of the effective date of the change.

Qualified health and dependent care expenses incurred from Jan. 1 to Dec. 31, 2022 will be eligible for reimbursement from your FSA accounts. However, you can still use any remaining 2022 funds from your health care and/or dependent care funds until March 15, 2023. This means you will have until March 15, 2023, to spend your 2022 FSA funds before they are FORFEITED.

Feel free to watch the [FSA Video](#) for more information.

### ***What is the difference between the Health Care FSA and the Dependent Care FSA?***

The Health Care FSA provides you the opportunity to have funds deducted from your pay on a pre-tax basis for health care expenses for yourself AND your dependents. These funds can be used for expenses that are not covered by your medical, dental, or vision plans such as copays, coinsurances, etc. Eligible health care expenses examples are:

- Medical, dental, and vision deductibles, co-insurance, and office visits
- Prescriptions
- Eligible over-the-counter drug expenses

The Dependent Care FSA provides you the opportunity to have funds deducted from your pay on a pre-tax basis for dependent care ("daycare") expenses for your eligible dependents.

Eligible expenses examples include:

- A child under age 13 and who is claimed as a dependent on your taxes.
- A child 13 and older who: 1) depends on you for at least half of their support; 2) regularly spends at least eight hours a day in your household; and 3) is physically or mentally unable to care for him/herself.
- Summer day camps
- Before and after school care
- Extended day programs
- Elderly daycare

***Can I enroll in both the Health Care and Dependent Care Flexible Spending Accounts? How much can I contribute?***

If you are enrolled in the PPO plan, you can contribute to both healthcare and dependent care FSAs. According to the IRS, the maximum amount an individual can contribute to the Healthcare FSA for 2022 is \$2,850. The maximum amount you can contribute to the Dependent Care (DAYCARE) FSA is \$5,000 for a married couple filing a joint tax return or if filing separate tax returns are \$2,500 per spouse.

***How can I access my contributions to the Health Savings Account and/or the Flexible Spending Accounts?***

Once enrolled in either the HSA or FSA, VantagePoint, which administers both the HSA and the FSAs for Centenary College of Louisiana, will send you a debit/credit card to access your accounts. If you lose your card or have questions about your account, you can contact VantagePoint Benefit Administrators through their website [vantagepointbenefit.com](http://vantagepointbenefit.com) or call their customer service at 516-599-2120.

***Is the carryover option for Healthcare FSAs only, or is it available with other benefit accounts?***

The carryover option of up to \$570 unused funds is available with a Healthcare FSA. It is not available with a Dependent Care FSA.

***When will the funds remaining in my Healthcare FSA for this plan year carry over into the new plan year?***

Your funds will be available on the first day of the new plan year. The amount that is carried over is determined at the end of any run-out period for the previous plan year.

***Does the carryover amount count against the \$2,850 maximum I'm able to contribute to my Healthcare FSA for this plan year?***

No. You can still contribute up to the max limit allowed for the plan year even if you carry over unused funds from the previous plan year.

***Can my employer offer the carryover and a grace period?***

NO. Plans may only offer a Healthcare FSA with a grace period OR the carryover option during the same plan year—not both.

***How do Health Savings Accounts (HSA) work?***

You elect an annual contribution which will be deducted on a pre-tax basis from each of your paychecks in equal amounts. These contributions are to help you pay for current and future health care costs that your insurance does not cover. Any funds leftover at the end of the year will stay and continue to grow. These moneys can be used tax-free, ONLY to cover medical costs. Feel free to review the [HSA video](#) for more information.

**Does Centenary College contribute to the 2022 Health Savings Account (HSA)?**

Not at this time.

**What does HSA catch-up contribution mean?**

Similar to IRAs and 401Ks, enrollees ages 55 and over can elect to make catch up contributions of \$1,000 for individual and family plans.

**Can I enroll into a HSA and FSA?**

You cannot be enrolled in a health care flexible spending account (FSA) and a health savings account (HSA) at the same time.

Plan	FSA allowed	HSA allowed	
Option 1 – PPO (\$2000 deductible)	YES	NO	
Option 2 – HDHP (\$3000 deductible)	YES	YES	**Participant may enroll in either FSA or HAS but not both

If you have an existing HSA and enroll in an FSA, you can still use the money already in your HSA, but can no longer contribute to it and you cannot be reimbursed twice for the same expense.

**Can anyone enroll into a HSA?**

Only the participants in our HDHP are eligible to enroll into a HSA. Individuals reaching the age of 65 and who ARE NOT enrolled in Medicare can have the HSA and contribute to it. Individuals who ARE enrolled in Medicare, cannot have the HSA. If the enrollment of Medicare is completed mid-year, the cardholder can continue using the HSA funds, but cannot contribute to the account. For further questions on Medicare and the HSA, please contact Vantagepoint Benefit Administrators at 1-516-599-2120.