



## FAQ: Dependent Care FSA

### What is a dependent care flexible spending account (FSA)?

Pre-tax dollars set aside to be used for eligible daycare care expenses.

### How much can I contribute to the account?

IRS regulations limit the annual contribution to \$5000.00 per household per calendar year. This applies if you are married and filing a joint return or if you are the custodial parent of the child.

### What type of care is eligible?

Daycare expenses are eligible for children under the age of 13 and must be for the purpose of you or your spouse to be at work or actively looking for work. Full time student status also applies. This can be for services at a child or adult day care center, preschool, before/after school care, summer day camp or nanny.

### What type of care is not eligible?

Expenses for children 13 and over, overnight camps, kindergarten and tuition fees are not covered. Services that are paid to an eligible dependent for babysitting services are also not eligible.

### Who qualifies as a dependent?

Children under age 13 are eligible dependents. Also, other tax dependents, such as children over age 13, a spouse or an elderly parent, who is physically or mentally incapable of self-care and lives in your home for at least 8 hours a day.

### How do I use the funds in my account?

Reimbursement from the account can be made by submitting a manual request for reimbursement; filling out the claim form and submitting the invoice from the daycare facility or a receipt showing dates of service signed by the daycare provider. Payment would need to be made to the provider out-of-pocket. The provider can also be paid direct by using the FSA debit card for the amount available in the account at the time of the swipe, as the accounts are not pre-funded. Verification of these expenses may be required, so hold all documentation in case needed.

### Do I have access to my total dependent care FSA election amount at the beginning of the year?

You will only have access to the funds that have already been deducted from your paycheck.

### Are there any rules about who can care for my dependents?

Care provided by a spouse, person you list as a tax dependent, or another child of yours under age 19 is not eligible.

## Can I change my election amount mid-year?

Election amounts may be increased due to the birth of a child or an increase in the amount you are being charged for daycare. Also, if you switch providers and/or your expenses are less, you may lower the amount.

## What happens if I don't spend all of my dependent care FSA funds by the end of the plan year?

Any funds remaining after the "run out" period ends is subject to the "use-it or lose-it" rule. These funds are forfeited and the employer uses these forfeitures to offset the costs of the plan.

## What happens to my account if my employment is terminated?

In the event of a termination from employment, the participation in the dependent care FSA ends as well. Dependent Care flexible spending claims can be incurred and submitted to BenefitSolver through the end of the plan year in which you terminate.