

HealthEquity®

WageWorks®

Flexible Spending Accounts (FSAs)

Health Savings Account (HSA)

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Lawrence Livermore National Security

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HealthEquity | WageWorks

A remarkable benefits partner.

HealthEquity and WageWorks have
combined to help working families
connect health and wealth.

Flexible Spending Accounts (FSAs)

What is an FSA?

- An employee benefit that saves you money on eligible healthcare and/or day care expenses
- An account where you contribute money from your paycheck BEFORE taxes, incur eligible expenses and then get reimbursed for the expenses
- A way to PAY LESS TAXES and SAVE MONEY!
- Completely voluntary
- Not a passive election -- must re-elect during Open Enrollment

Healthcare and Dependent Care FSA

Healthcare FSA

- Used to pay for out-of-pocket medical, dental and vision expenses not paid by insurance

Dependent Care FSA

- Used to pay for child or elder care expenses including day care, before/after-school care, summer day camp and private sitter

How FSAs Work

- Your annual election is deducted from pay before taxes in equal amounts throughout the year
- Election amount cannot be changed during the Plan Year, unless you experience a Qualifying Event
- The full amount of the Health Care FSA election is available at the start of the plan year
- You can use the 'smart' Visa card for Health Care FSA
- The Dependent Care FSA funds accrue with each payroll contribution
- Submit a claim for reimbursement with itemized receipts. WageWorks will process the claim and send reimbursement (via direct deposit or check)

Health Care FSA

Eligibility for Reimbursement

- Employee, spouse, and anyone that can be claimed as a dependent on Federal Income Tax return can incur an eligible expense for which the member will be reimbursed

Minimum & Maximum Annual Contributions Amounts for 2024

Minimum Health Care Annual Contribution - \$180

- Maximum Health Care Annual Contribution - \$3,050

Use or Lose

- Employees have from 1/1 to 12/31 to spend their current years funds.
- Runout is 3/31. Meaning your employees have until 3/31 to submit claims that incurred from 1/1 to 12/31.
- Anything left over after 3/31 will be forfeited.

Health Care FSA – Eligible Expenses

- Copays, coinsurance and deductibles for health, dental and vision plans
- Prescription drugs
- Chiropractic care
- Physical therapy
- Infertility Treatments
- Over-the-counter (OTC) medical supplies
- Dental care
- Orthodontia, including braces
- Vision care (eye exams, glasses, contacts)
- Laser eye surgery

Dependent Care FSA

Eligibility for Reimbursement

- Dependent children under age 13
- Person of any age you claim as a dependent on your Federal Income Tax Return and who is mentally or physically incapable of caring for him/herself

Minimum & Maximum Annual Contributions Amounts for 2024

- Minimum Day Care Annual Contribution - \$180
- Maximum Dependent Care Annual Contribution - \$5000/household

Use or Lose

- Money left in Dependent Care FSA will be forfeited if not used

Dependent Care FSA – Eligible Expenses

- Day care
- Pre-school and after-school care (must be kept separate from tuition expenses) for school age children
- Summer day camp, nursery school or private sitter
- Care of an incapacitated adult who lives with you at least 8 hours a day

Healthcare FSA Card

- Easy access to account funds
- Works like a credit card, only the funds are deducted from your HSA and Health Care FSA
- Dependent Care FSA is **NOT** linked to the card

Keep your receipts! You might be required to submit them to validate your debit card transactions per IRS mandate.

Validating Card Swipes

Three Validation Methods

- Original Receipt/Explanation of Benefits (EOB)
 - Patient Name
 - Provider Name
 - Date(s) of Service
 - Service Type/ Description
 - Patient Responsibility Amount

- Substitute the expense with an eligible out-of-pocket expense

- Check

- Substantiation/Adjudication is a critical part of the process to keep the plan compliant and is regulated by the IRS.

Spending Account Website User Guide

- <https://www.wageworks.com/spending-accounts/>
- Then you click on FSA Resources
- Then Debit Card Users/ Website Guide

The above site likewise contains claim forms and a number of different resources to help you make a more informed decision regarding your spending account needs.

Filing Claims for Reimbursement for HC and DC

Complete a claim form online and upload your supporting documentation--

- **Online:** www.HealthEquity.com/WageWorks

Complete a paper claim form and submit with supporting documentation via fax or mail--

- **Fax:** [1-877-353-9236](tel:1-877-353-9236)
- **Mail:** [Claims Administrator, P.O. Box 14053 Lexington, KY 40512](#)

Support for Health Care and Dependent Care

www.HealthEquity.com/WageWorks

- View and manage your account in a secure environment
24 hours a day, 7 days a week
- Check account balance & claims history

1-877-924-3967

Available 24/7 for automated account balance and claim payment information

- Toll-free member service 6 am to 6 pm MST provided by knowledgeable
Member Service Representatives

Health Savings Account (HSA)

Health Savings Account HSA

Enrollment

- In order to qualify for HSA enrollment, you must be enrolled in the Kaiser HDHP plan.

Who's Eligible for Reimbursement ?

- You and your spouse, All dependents you claim on your tax return

Annual Contributions Amounts for 2023

- Individual coverage - \$4150
- Family coverage - \$8300
- The IRS allows a \$1,000 catchup contribution for individuals age 55+ each year

Use or Lose

- Unlike flexible spending accounts, the entire HSA balance rolls over each year.

What is an HSA?

A health savings account is a tax-advantaged medical savings account available to employees who are enrolled in a high-deductible health plan.

Like a Healthcare FSA the funds can be used to pay for certain eligible medical expenses. Unlike a Healthcare FSA, unused funds persist year-over-year and can even be invested!

This has become an increasingly important tool for retirement planning. Don't miss out!

What is an HSA Continued

Health care continues to be one of the largest **expenses** in **retirement**. It is estimated that the **average** couple will need \$662,000 in today's dollars for **medical expenses** in **retirement**, excluding long-term care.

If you were to draw these funds from a 401k or similar tax deferred account you would have to withdraw over \$800k to offset the taxes to cover this amount.

HSA contributions AND withdrawals are tax free!

HSA – Eligible Expenses

- Acupuncture
- Annual Physical examine
- Artificial teeth
- Body scan
- Chiropractor
- Orthodontia
- Prescription medication
- Eligible Long-term care
- COBRA continuation coverage
- Medicare premiums and out-of-pocket expenses for Part A, Part B, Part C, and Part D.
- Transplant
- Oxygen and equipment

How HSA's Work

- An HSA paired with an HSA-qualified health plan allows you to make tax-free contributions to a federally insured savings account.
- HSA-qualified health plans typically cost less than traditional plans and the money saved can be put into your HSA
- HSA balances earn tax-free interest and can be used to pay for qualified medical expenses.
- You can use the 'smart' Visa card for Health Savings Accounts

HSA Getting Started

- Activate your debit card by logging into the website or calling one of our account mentors.
- Log on to <https://my.healthequity.com>
- Create a user name and password and follow the step-by-step process to verify your account.

HSA Card

- Easy access to account funds
- Works like a credit card, only the funds are deducted from your HSA and Health Care FSA

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