

# Save money with an FSA

## Flexible Spending Accounts

### Save money on health care expenses

Did you know that you can save money on your health care costs when you choose to enroll in your employer's Flexible Spending Account (FSA) plan? An FSA is an account that allows you to set aside a portion of your income each year on a pre-tax basis – so you can pay for qualified health care expenses with tax-free dollars. Because the money you contribute is deducted from your paycheck before taxes and the withdrawals are tax-free, your FSA can mean significant savings.<sup>1</sup>

#### Your money goes further in an FSA

A \$1,000 contribution to your FSA could save you as much as \$300 or more.<sup>2</sup>

#### Taxed dollars in your checking account

Your contribution	Taxes	Available for medical expenses
\$1,000	\$300	\$700

#### Pre-tax dollars in your FSA

Your contribution	Taxes	Available for medical expenses
\$1,000	\$0	\$1000

#### Save on qualified medical expenses

You can use the tax-free dollars in your FSA for any qualified medical expense, for example:

- + Copayments for doctor visits
- + Health plan deductibles and coinsurance
- + Prescriptions
- + Dental and orthodontic care
- + Hearing aids
- + Eyeglasses, contact lenses and laser eye surgery

With a medical FSA, your contribution is deducted from your paycheck in equal amounts over the course of the year, but your full year's contribution is available to you from day one. So you know you'll have the money when you need it. What's more, employers can now, with certain restrictions, allow employees to carryover unused FSA balances up to a maximum IRS-prescribed amount. Please consult with your benefits administrator for additional details.

#### Save on dependent care, too

Your employer may also offer a separate FSA for dependent care. With a dependent care FSA, your contribution is deducted from your paycheck in equal amounts over the course of the year. You can contribute pre-tax dollars to this FSA to help pay the costs of day care for a child or elder care for a parent – and as with a medical FSA, withdrawals are tax-free.<sup>1</sup> However, only the funds actually on deposit are available for withdrawal.

NEED  
MORE  
INFO?

To learn more about the details of your employer's FSA plan – and to sign up – contact your group benefits administrator.



# 24/7/365

Expert support specialists are available for members every hour of every day



## Helpful tools and support along the way

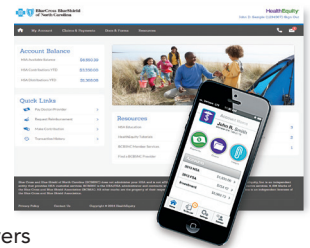
Once enrolled, you'll receive a welcome kit in the mail from HealthEquity®, BCBSNC's partner in FSA administration. This kit contains information and instructions for accessing your account. With HealthEquity, you'll have convenient and comprehensive tools and resources to manage your account – including expert specialists who are available every hour of every day to share advice and answer your questions.

## Managing your FSA

You can manage both your Blue Cross and Blue Shield of North Carolina (BCBSNC) health plan and your FSA account online and on-the-go. Visit [BlueConnectNC.com](http://BlueConnectNC.com) to view your health benefits and claims and to check your FSA fund balance. Click on the "Manage Your Account" link for access to comprehensive online services. You also have on-the-go access to your FSA on your mobile device with the HealthEquity mobile application available for iPhone and Android devices.

### Here's what you can do

- + View account balance and history
- + Create new claims and view status
- + Send payments and reimbursements
- + Manage debit card transactions, if applicable
- + Archive documents on our secure servers
- + And with the new mobile app, you can do all this on the go, plus use your device's camera to document and upload claims



1 Withdrawals are tax-free only if used for qualified medical expenses or dependent care costs. Specific regulations and a list of qualified medical expenses can be found in IRS publication 502, available at [www.irs.gov](http://www.irs.gov).

2 Example based on a combined state and federal tax rate of 30%. Your specific tax rate and savings may differ.

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