

Flexible Spending Accounts (FSA) Summary

Open Enrollment, November 16 – December 2, is the time to enroll in a Flexible Spending Accounts (FSA), which will be effective on January 1, 2012 for the 2012 plan year (January 1 – December 31, 2012). If you currently participate in an FSA, you must **re-enroll by December 2** to maintain participation during the 2012 plan year.

Definition of Flexible Spending Accounts (FSA) Definition	<ul style="list-style-type: none"> Flexible Spending Accounts (FSA) offer many benefits to employees by providing a simple way to gain tax savings. Participating in an FSA allows you to contribute, on a pre-tax basis through payroll deduction, to a health care and/or dependent care account. As you incur eligible expenses, which are outlined by the IRS, you may request reimbursement from the applicable account. Any reimbursements you receive from these accounts remain tax-free when they are paid to you. 								
Eligibility	<ul style="list-style-type: none"> Eligible regular appointments of at least 50% FTE include: Faculty, Senior Unclassified Administrative & Professional (Sr. A&P) Staff, Unclassified Administrative & Professional (A&P) Staff, Classified Civil Service Staff (CCS), Clinical Instructor House Staff (CIHS), Auxiliary Faculty (Aux Fac), Visiting Faculty (Visit Fac), and Post-Doctoral Researcher (PDR) 								
FSA Plan Year	<ul style="list-style-type: none"> The plan year is the period during which eligible expenses must be incurred to be eligible for reimbursement from payroll deductions made during that year, regardless of when the services are billed or paid. The 2012 plan year is January 1 – December 31, 2012. <ul style="list-style-type: none"> – Incurred date extension – services received during the claim grace period of January 1 – February 28, 2013, may be eligible for reimbursement under the 2012 plan year. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 50%; padding: 2px;">Plan Year</td> <td style="padding: 2px; text-align: center;">January 1 – December 31, 2012</td> </tr> <tr> <td style="padding: 2px;">Incurred Date Window (including grace period)</td> <td style="padding: 2px; text-align: center;">January 1, 2011 – February 28, 2013</td> </tr> <tr> <td style="padding: 2px;">Reimbursement Filing Deadline</td> <td style="padding: 2px; text-align: center;">March 31, 2013</td> </tr> </table>	Plan Year	January 1 – December 31, 2012	Incurred Date Window (including grace period)	January 1, 2011 – February 28, 2013	Reimbursement Filing Deadline	March 31, 2013		
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Contributions	<ul style="list-style-type: none"> Contributions for FSAs are deducted from pay on a pre-tax basis. FSA minimum election amounts for the 2012 plan year (January 1 – December 31, 2012) are: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 50%; padding: 2px;">Health Care</td> <td style="padding: 2px;">Dependent Care</td> </tr> <tr> <td style="padding: 2px; text-align: center;">\$100 minimum (for the plan year)</td> <td style="padding: 2px; text-align: center;">\$250 minimum (for the plan year)</td> </tr> </table> FSA maximum election amounts for the 2012 plan year (January 1 – December 31, 2012) are: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 50%; padding: 2px;">Health Care</td> <td style="padding: 2px;">Dependent Care</td> </tr> <tr> <td style="padding: 2px; text-align: center;">\$5,000 maximum (for the plan year)</td> <td style="padding: 2px; text-align: center;">\$5,000 household maximum (for the plan year)</td> </tr> </table> Health Care FSA funds and Dependent Care FSA funds must remain separate. Contributions made to one account cannot be used to reimburse expenses that are eligible only under the other account. The IRS allows for a maximum of \$5,000 in combined contributions per family to all Dependent Care FSAs during a calendar year. This means that the total amount you contribute during calendar year 2012, when combined with any contributions your spouse may make to a Dependent Care Account during 2012, cannot exceed \$5,000. Any unused funds remaining in your FSA account(s) after the close of the plan year must be forfeited, as required by IRS regulations. Be sure to base your FSA election for the 2012 plan year <u>only</u> on eligible expenses you expect to incur between January 1 and December 31, 2012. <p>The IRS allowable maximum is \$5,000 for the entire 2012 calendar year (January 1 – December 31, 2012).</p>	Health Care	Dependent Care	\$100 minimum (for the plan year)	\$250 minimum (for the plan year)	Health Care	Dependent Care	\$5,000 maximum (for the plan year)	\$5,000 household maximum (for the plan year)
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FSA, continued

<p>Making FSA Elections During Open Enrollment 2011</p>	<ol style="list-style-type: none"> 1. Use eBenefits at hr.osu.edu/oe to review your current FSA elections. 2. Use the FSA Worksheets, available online at hr.osu.edu/oe or included in this document, to estimate your eligible expenses for the 2012 plan year (January 1 – December 31, 2012). 3. To enroll in one or both FSAs for the 2012 plan year (January 1 – December 31, 2012) make your elections via eBenefits at hr.osu.edu/oe, or you may use the paper <i>FSA Open Enrollment Election Form</i> available on the Open Enrollment web site or from the Office of Human Resources. Your FSA elections must be submitted to the Office of Human Resources by December 2. <p>Note: If you do not wish to participate in an FSA during the 2012 plan year (January 1 – December 31, 2012), you do not need to complete an <i>FSA Open Enrollment Election Form</i>.</p>
<p>Making FSA Election Changes During the Plan Year</p>	<p>Other than during Open Enrollment, the only time you can make FSA election changes during a plan year is within 31 days of a qualifying status change.</p>
<p>Qualifying Status Changes</p>	<ul style="list-style-type: none"> • Some specific events that constitute qualifying status changes and may allow you to make changes to your FSA participation during a plan year include: <ul style="list-style-type: none"> – Family status changes—marriage, divorce, childbirth, adoption or legal guardianship of a child, death of a covered dependent, dependent no longer meeting eligibility criteria established under the plan, or gain or loss of other coverage. – Employment status changes—a change in the type or FTE of your appointment that affects benefits eligibility or a change in your spouse’s eligibility for benefits. <p>Note: A qualifying status change may vary the starting or ending date for your FSA plan.</p> <ul style="list-style-type: none"> • You may only make FSA election changes that are consistent with your qualifying status change. • Refer to the Life Events section of the OHR web site at hr.osu.edu/events to determine whether or not a specific status change qualifies for an FSA election change. <ul style="list-style-type: none"> – Documentation of the qualifying status change may be required.
<p>Using This Benefit</p>	<ul style="list-style-type: none"> • The minimum amount for which you can request reimbursement is \$25.00 (unless the amount of your annual election remaining in your account is less than \$25.00). • You may submit reimbursement requests for the 2012 plan year <i>as late as March 31, 2013</i>; however, the expenses <i>must</i> have been incurred during the 2012 plan year (January 1 – December 31, 2013). • Incurred date extension – services received during the claim grace period of January 1 – February 28, 2013, may be eligible for reimbursement under the 2013 plan year. • Submit eligible reimbursement requests as late as March 31, 2013. • The money reimbursed from your FSA(s) is paid directly to you. It is your responsibility to pay the service provider for the incurred expense. • You should retain copies of all claims and documents that you submit. Such information may be necessary for filing your federal tax return and/or in the event of an IRS audit of your personal income taxes. • Pre-tax FSA contributions have no effect on your Supplemental Retirement Account contributions or on the amount of employer or employee contributions made to your retirement system (ARP/OPERS/STRS).
<p>FSA Online</p>	<ul style="list-style-type: none"> • You can view your total contributions, claims, payment history, current status of your account(s), and check the “amount remaining available for reimbursement” through FSA Online, a secure web site located at hr.osu.edu/benefits/flexiblespending. • With FSA Online you can view account information for the current and previous FSA plan years, as well as print reimbursement forms and view information about eligible expenses. • Account information is updated weekly, after claims have been processed.

Dependent Care FSA

Dependent Care FSA	<ul style="list-style-type: none"> • Under a Dependent Care FSA, pre-tax employee contributions can be used to reimburse you for any child and dependent care expenses that would otherwise be eligible for a tax credit by the IRS. • Eligible expenses can be reimbursed only up to the current balance of payroll contributions in your account and cannot exceed your annual election amount.
Eligible Dependent Care Expenses	<ul style="list-style-type: none"> • Eligible dependent care expenses that are incurred in order for you (and your spouse, if you are married) to work may include: <ul style="list-style-type: none"> – Child Care for a qualifying dependent child under age 13; and – Adult Dependent Care for a qualifying spouse or dependent of any age who is physically or mentally incapable of self-care and who resides with you for more than half the year. • Note: Dependent Care Flexible Spending Accounts do not pay for medical expenses for your dependents. • For a detailed list of eligible expenses refer to <i>IRS Publication 503 (Child and Dependent Care Expenses)</i>, available online at www.irs.gov/publications/p503/index.html.

Health Care FSA

Health Care FSA	<ul style="list-style-type: none"> • Under a Health Care FSA, pre-tax employee contributions can be used to reimburse you for eligible health care expenses incurred by you or any of your qualifying dependents during the plan year. • You may have eligible expenses reimbursed up to your full plan year election amount prior to having the full amount of payroll contributions deducted and deposited into your account.
Eligible Health Care Expenses	<ul style="list-style-type: none"> • The Health Care FSA may reimburse you for amounts that you pay for the diagnosis, cure, mitigation, treatment, or prevention of disease, and for treatments affecting any part or function of the body. • Eligible health care expenses must be primarily to alleviate or prevent a physical or mental defect or illness, and may include, but are not limited to: <ul style="list-style-type: none"> – Deductibles—expenses for which you may be required to pay under a medical, dental, vision or prescription drug plan, prior to the plan paying its portion of remaining eligible expenses. – Copayments/Coinsurance—your payments or share of the cost for medical, dental, vision, or prescription drug expenses. – Services with age or frequency restrictions—your costs for health plan services that have plan limitations. – Certain services not covered by your health plan (provided they meet the definition of an eligible expense, as stated above). – Over-the-Counter Medications—medicines and drugs available to purchase directly from retailers. For the 2012 plan year, only certain OTC medications for which you have received a written doctor's prescription may be eligible for reimbursement (except for insulin). • For a detailed list of eligible health care expenses refer to the full listing of eligible and ineligible health care expenses in the <i>Health Care FSA Handbook</i> available online at: hr.osu.edu/benefits/flexiblespending.
Orthodontic Reimbursement Guideline	<p>Orthodontic treatment is typically rendered over an extended period of time. Often, there is no direct relationship between payment and treatment. Some individuals pay for the entire treatment in full, while others make a monthly payment towards the total cost. In both cases, visits to the orthodontist may occur several times a month, or once every few months for adjustments.</p> <p>Ohio State allows reimbursement for pre-paid orthodontia expenses, up to the elected amount, regardless of the date of service. The payment must have been made during the FSA Plan Year. If there is coverage under any dental plan, payment from the Health Care Flexible Spending Account (HC-FSA) will be reduced by the amount paid by the dental coverage. Please note that orthodontia differs from other dental procedures that require the actual service to be performed and paid for within the FSA Plan Year.</p> <p>The employee and/or the employee's eligible dependent(s) planning to begin or currently receiving orthodontia treatment are eligible for reimbursement.</p>
Initial Evaluation Fees	<p>Orthodontia services initially performed, such as moldings, diagnostic records fees, consultation fees, etc., are reimbursable when incurred if the expenses are separate from the contracted treatment. These expenses are typically not included in the total treatment cost for orthodontia and would require a fully completed claim form with an itemized bill. If these services were incurred during the FSA Plan Year in which you are requesting reimbursement, they would be considered eligible.</p>
Initial Fee vs. Down Payment	<p>It is a common practice for providers to require an initial fee before the start of orthodontia treatment. This expense is eligible for reimbursement with a fully completed claim form and an itemized bill indicating the</p>

	initial fee or proof of payment. A down payment is not eligible for reimbursement as it does not represent any incurred services.
Monthly Payments	<p>The monthly liability for orthodontic treatment is reimbursable from:</p> <ul style="list-style-type: none"> - An orthodontist coupon booklet indicating monthly payments. You need to include a receipt showing payment if the due date on the coupon has not yet occurred - A paid receipt indicating payment date - A monthly statement that indicates the payment amount. You need to include a paid receipt if the date of service has not yet occurred. - A Loan Coupon¹ <ul style="list-style-type: none"> • Loan agreement where orthodontics is specified and the pay date is indicated. • Orthodontic provider contract/treatment plan that consists of total charge, banding date, and estimated treatment that can be reconciled to the payment information from the bank. <p>¹Finance charges are not eligible for reimbursement.</p>
Full Payment for Orthodontic Treatment	If payment is made in full for the orthodontic treatment, and proof of payment is included with the completed claim form, the full payment amount will be reimbursed up to your Health Care election amount.

Additional Information

For additional information about Flexible Spending Accounts (FSA), please refer to the resources listed below:

Open Enrollment Forums	A schedule of Open Enrollment Forums is available online at hr.osu.edu/oe
FSA web site	hr.osu.edu/benefits/flexiblespending – plan information; forms; worksheets; <i>Health Care FSA Handbook</i> (list of eligible health care expenses); information about eligible dependent care expenses
OHR web site	hr.osu.edu – Open Enrollment information; enroll via eBenefits
OHR Customer Service Center	service@hr.osu.edu , hr.osu.edu , (614) 292-1050, 1-800-678-6010, or fax (614) 292-6235