

take care® Healthcare Flexible Spending Account



With healthcare costs on the rise, a Healthcare Flexible Spending Account (FSA) is a great way to save money every year.

With a Healthcare FSA, you can use tax-free funds to pay your out-of-pocket medical, dental, and vision care expenses. You save money while keeping you and your family healthy.

It's easy to sign up and easy to use. Here's what you need to know.

HOW DOES IT WORK?

A take care® Healthcare FSA is a great way to pay for healthcare products and services, reduce your taxable income, and save money in the process. You simply decide how much to contribute to your Healthcare FSA for the year, and contributions are made each pay period. You can easily access funds in your FSA to pay for eligible healthcare expenses.



Your Healthcare FSA delivers real tax savings. Funds are moved from your paycheck to your FSA before taxes are deducted, which reduces your overall tax burden.

Tax Benefit of a Healthcare FSA

Without FSA

\$60,000 your gross annual pay (estimate)
- \$18,000 your estimated tax rate (30%)
=\$42,000 your net annual pay
- \$2,500 your annual medical care expenses
=\$39,500 your final net annual pay

With FSA

\$60,000 your gross annual pay (estimate)
- \$2,500 your annual medical care expenses
=\$57,500 your adjusted gross pay
- \$17,250 your estimated tax rate (30%)
=\$40,250 your final net annual pay

You take home \$750 more with a Healthcare FSA

To find out how much you can save based on your current income and expenses, go to www.wageworks.com/takecare/myfsa

DO I QUALIFY & HOW MUCH CAN I CONTRIBUTE?

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The IRS determines the maximum amount you may contribute to a Healthcare FSA each year.

2013 Contribution Amounts

For 2013, the IRS has established the maximum amount that can be contributed at \$2,500.

Note: 2014 contribution limit will be announced by the IRS before the end of the year.

When estimating how much you want to contribute to your Healthcare FSA, consider upcoming medical, dental, vision, and pharmacy expenses that may not be covered by your health plan. Also, remember that healthcare expenses for any of your tax dependents are eligible for reimbursement, even if those individuals are not on your employer's health insurance plan.

Carefully consider your contribution amounts. IRS guidelines state that Healthcare FSA funds cannot be carried over year to year. Unused funds cannot be returned to you as cash or as other benefits.

WHAT EXPENSES ARE COVERED?

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You may use your Healthcare FSA to pay for eligible healthcare expenses. The IRS defines which expenses are eligible and ineligible.

Eligible expenses include:

- Health plan co-payments
- Dental work and orthodontia
- Eye exams and eyeglasses
- Contact lenses
- Chiropractic treatment
- Vaccinations
- Prescription medications
- Mental health counseling

For a complete list of eligible expenses, visit www.takecarewageworks.com/ee/ee_qe.html

"Our overall living costs are significant, so I wasn't going to pass up an opportunity to boost my take-home pay. I knew that our co-payments, new eyeglasses, and orthodontia work for my daughter would total at least \$2,500 for the year. So I contributed \$2,500 to my Healthcare FSA and used the tax-free dollars to cover our medical expenses. As a result, I saved \$750!"



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HOW DO I PAY FOR EXPENSES?

It's easy to access and use funds in your take care[®] Healthcare FSA. There are four easy payment and reimbursement options:

- 1. take care Flex Benefits Card.** Simply present this Card when payment is required, whether at a doctor's office or pharmacy. It works like a debit card. Money is deducted directly from your FSA.
- 2. Reimburse yourself.** Arrange for FSA funds to be transferred to your checking account or a check to be mailed to reimburse you for expenses you've already paid.

It's important to keep receipts and other supporting documentation related to your FSA expenses and reimbursement requests. The IRS requires appropriate documentation for all FSA reimbursements.

When you use your take care Flex Benefits Card, most transactions are automatically verified. However, from time to time additional documentation may be needed to verify the date of service, amount billed, and services rendered. Credit card receipts, canceled checks, and balance forward statements do not meet the requirements for acceptable documentation.

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READY TO SAVE? SIGN UP NOW!

Sign up for a Healthcare FSA during open enrollment.

Questions?

- Contact the person or organization managing your Healthcare FSA benefits program
- Visit www.takecarewageworks.com for online resources
- Call us directly at 1-800-950-0105

