



You can really Benefit from an FSA!

FSA Basics

Flexible Spending Accounts (FSA's) let you set aside money on a pre-tax basis to reimburse yourself for certain health care and dependent care expenses. There are two types of Flexible Spending Accounts:

Health Care FSA: During 2025, you can set aside up to **\$3,300** in your Health Care FSA (HCFSA) to reimburse eligible medical, dental and vision expenses that aren't covered by your medical plan (including co-pays, coinsurance, deductibles and eligible over the counter items*) for yourself and eligible dependents (which includes eligible adult children up to age 26, as required by the Patient Protection Act(P.L. 111-148) as amended by the Health Care and Education Reconciliation Act (P.L. 111-152). This deferral limit is an IRS established maximum.

Dependent Care FSA: You can set aside up to \$5,000 per year in a Dependent Care FSA (DCFSA) to reimburse expenses for child or adult daycare services that you need because you work. If you file a separate tax return from your spouse, the maximum reimbursement is \$2,500 for each of you. You may want to talk with your tax advisor about the tax benefit of this plan.

Some employees deemed "highly compensated" may be restricted in the amount they are able to defer to the Dependent Care FSA as a result of mandatory non-discrimination testing.

You can enroll in one or both FSAs during your eligibility period by logging into PeopleSoft Self-Service or by using the FSA election form available at your Human Resources Office or online at Crossroads. If you use the paper form, **bring your completed enrollment form to your local Human Resources Office within 31 days of your eligibility.** Your enrollment election will take effect the pay period after you enroll and stay in effect through the end of the year. You may only change your enrollment election if you have an eligible change in family status (such as marriage or the birth of a child).

Important FSA Facts

- All regular full-time and regular part-time non-appropriated fund employees are eligible.
- You must enroll each year to participate in one or both Flexible Spending Accounts. Participation does not continue from one year to another.
- You can enroll in just one FSA, both FSA's or none at all. It's an entirely voluntary benefit, so it's your choice.
- You aren't required to be enrolled in a NAF medical plan to enroll in a Flexible Spending Account
- FSA Contributions are automatically deducted from your pay before taxes are withheld. This reduces your taxable income and the amount of federal, state and local taxes (as applicable) you pay.
- If you terminate employment with MCCS, and are rehired with MCCS as regular full time, or regular part time, you will automatically be re-enrolled into the FSA plan that you were enrolled in prior to termination. The bi-weekly contribution will be based on the initial annual election amount and the number of pay periods left in the year.
- Use it or lose it. When you enroll, be sure to estimate your expenses for the upcoming year carefully. Any unreimbursed funds left in your FSA at the end of the plan year must be forfeited¹. Use the calculator tool on www.InspiraFinancial.com to help you estimate your expenses.

¹Unused Health Care FSA funds up to **\$660** may be carried over to the next year as long as you are still in the plan as of the last day of the plan year and you did not enroll in a HDHP and Health Savings Account (HSA).

- You have until March 31st to submit for reimbursement for charges incurred by 31 December of the prior year.
- MasterCard debit cards will be issued to new Health Care FSA participants for use with eligible health care expenses. Participants that re-enroll for 2025 will have their current debit card loaded with their 2025 deferral amount effective 1 January 2025.
- **If you are enrolled in the High Deductible Health Plan (HDHP) with Health Savings Account (CONUS), you are NOT ELIGIBLE for the HCFSA. You are eligible for the DCFSA.**
- If you are enrolled in the HDHP with Health Reimbursement Arrangement (HRA) (OCONUS), you are eligible for the HCFSA and DCFSA.

Learn More: More Information is available online at www.InspiraFinancial.com If you have any questions, please call Inspria at 1-800-416- 7053.

Also learn more about the FSA plans at www.benefits.usmc-mccs.org

PeopleSoft Self-Service:

At Work: <https://hrms.usmc-mccs.org/psp/hprd/?cmd=login&languageCd=ENG&>

At Home: <https://hrms-sslvpn.usmc-mccs.org/>

We hope you'll take advantage of this valuable NAF benefit and save on both Health and Dependent Care Expenses.

*A doctor's prescription will be required for certain over-the-counter medicines (this restriction does not apply to insulin).

** Some debit card transactions will require substantiation.