

Dependent care flexible spending account



Start saving today

Sign up for an Optum Financial DCFSA during benefits enrollment.

Save on taxes

With an Optum Financial dependent care flexible spending account, you can save for day care, child care, nursery school and preschool tax-free. If you're working, you're able to use your account to pay for the care of your child under the age of 13 or to care for qualifying dependent adults, like elderly parents, who can't care for themselves.

How it works

You can enroll in a dependent care FSA as long as you and your spouse are working, looking for work or are a full-time student.

With a dependent care FSA, you choose how much to contribute, up to a maximum of \$5,000 per household, per year. Your employer deducts this amount from each paycheck, before taxes. You don't have to pay federal, state or payroll taxes on the money credited to your account, although a couple of states do tax contributions. You save money as you lower your income taxes.

Dependent care funds are deposited every pay period

The money you contribute to your dependent care FSA is deducted from your paychecks and deposited into your account. The total funds you contribute annually are not immediately available at the beginning of the plan year. This is an important difference between a dependent care FSA and a medical FSA.

As soon as you have money in your dependent care FSA, you can use it to pay for eligible dependent care expenses. Please note, an Optum Bank payment Mastercard® is not provided for a dependent care FSA.

Important things to know about your account

How to enroll

Things to consider:

- What dependent care services will you need during the year?
- How often will you use these services?
- How much will everything cost?

Support and account information

Your account information is available anytime at optumbank.com/tennessee.

Changing your contributions

In special situations – if you have a baby, adopt a child or become responsible for an adult – you may be able to adjust the amount you contribute to your dependent care FSA. This is called a change in status. If you have a change in status, your benefits representative can help you adjust your contributions. If you leave employment, you will have 90 days to continue to file claims against your remaining balance, and any claims that you file must be for the current plan year until your last date of employment.

Health accounts can affect your taxes

Depending on your taxable income, a dependent care FSA may save you more money than the tax credit on your income tax filing. You can't claim a dependent care tax credit on your federal income tax return for services that were reimbursed by your dependent care FSA. Consult a tax advisor to see what option is best for you.

It's simple to manage your account

Optum Financial gives you the resources you need to make the most of your health care dollars. Access your account anytime at optumbank.com/tennessee or through our mobile app.

Save for day care, child care, preschool, summer day camps and adult day care.

You may be able to use your account to pay for:

- Nursery school and preschool
- Eligible child care
- Before and after school programs
- Babysitters
- Adult day care for an elderly dependent

For a full list of eligible expenses, contact your benefits representative.

Optum Financial®

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Flexible spending accounts, dependent care assistance programs, health reimbursement arrangements, Commuter and Parking Benefits, Tuition Assistance Plans, Adoption Assistance Plans, Surrogacy Assistance Plans, Wellness Benefits, and Lifestyle Accounts (collectively, "Employer-Sponsored Plans") are administered on behalf of your plan sponsor by Optum Financial, Inc. or ConnectYourCare, LLC (collectively, "Optum Financial") and are subject to eligibility and restrictions. Employer-Sponsored Plans are not individually owned and amounts available under the Employer-Sponsored Plan are not FDIC insured.

This communication is not intended as tax or legal advice. Please contact a legal or tax professional for advice on eligibility, tax treatment, and restrictions. Please contact your plan administrator with questions about enrollment or plan restrictions. Federal and state laws and regulations and the design of your plan are subject to change.

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