

FSA: Fact or myth?

A flexible spending account (FSA) offers you a simple way to save on eligible medical, dental, vision and other expenses. But there are some myths out there. Check out what's fact and what's fiction.



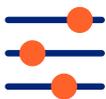
Myth: “The tax savings are too small to make a difference”

Not small at all. For instance, if you contribute \$2,400 to your FSA and pay a combined tax rate of 30%, you could see \$720 in tax savings.* That can pay for a lot of essentials, like groceries and gas – or be a fun addition to something like a vacation fund.



Fact: “An FSA can fit within my budget”

An FSA can actually help you stretch your budget, since your contributions are deducted pre-tax. For example, if you contribute \$200 per month, your paycheck that month is only reduced by about \$140 (assuming a 30% tax rate).* That extra \$60 is yours to spend on eligible expenses without you even feeling the deduction.



Myth: “I can’t make changes to my FSA during the year”

If you have a qualifying life event during the year, like getting married or having a baby, you can make changes to fit your new life.



Fact: “It’s easy to submit documentation”

In many cases, Optum Financial works to automatically verify that your FSA payment is for an eligible expense; when documentation is required, it only takes seconds to upload. Want to skip that step? Use your payment card for eligible expenses.



Myth: “I’m healthy, so I don’t need an FSA”

FSAs aren’t just for people who need to see their doctor a lot. You can also use it if you visit a dentist, buy glasses or contacts, or buy prescriptions or eligible over-the-counter pain medication. Even sunscreen and feminine care products are considered eligible expenses.



Myth: “I can’t have both a health savings account (HSA) and an FSA”

Even if you have an HSA, your employer may offer a limited purpose health care FSA (LPFSA). This type of FSA is for dental and vision expenses only. Talk with your HR professional to see if your company offers this benefit.



Myth: “My child is in school, so I don’t need a dependent care FSA”

You can use a dependent care FSA for much more than childcare. Consider summer camp, a holiday camp over winter break or after-school care for children up to age 13.



Myth: “I’ll lose my FSA funds if I don’t use them by the end of my plan year”

Your account is designed for you to use it, not lose it. Though FSAs differ by employer, many companies offer grace periods that extend the time you may use your account, and some offer rollovers of unused funds. FSAs cover lots of everyday health care items, and paying with your FSA card is easy. Check your plan documents to see what your FSA allows.



Ready to enroll?

Enrolling in an FSA is quick and easy because it’s built into your employer’s benefits enrollment. Review your enrollment materials so you don’t miss your chance to sign up.



Watch a short video at optumfinancial.com/FSAvideo to see how you can save.

Go to optumfinancial.com to learn more.

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