# Flexible Spending Account (FSA)
## New $500 Carryover for unused funds!

**We're excited to share some important news with you about your Health Care Flexible Spending Account (FSA)!**

On October 31, 2013, the U.S. Department of the Treasury modified the "Use It or Lose It" rule. This lets Health Care FSA and Limited Purpose FSA members carry over a certain amount of unused funds from one year to the next.  If you're a Health Care FSA member, you can now carry over up to $500 in unused funds to the next plan year!

**Here are some answers to frequently asked questions about the carryover you might find helpful.**

**When does this change go into effect for me?**
If you're enrolled in a Health Care FSA, this change will apply to unused funds in your account on 12/31/2014.  As long as you continue to be an active eligible employee on the last day of the plan year, you'll be able to carry over up to $500 in unused funds to the next plan year.

**Can my Health Care FSA funds continue to carry over from year to year?**
Unused funds in your Health Care FSA can be carried over from year to year, up to a maximum of $500, if you are still in the plan on the last day of the plan year.

**What happens to my carryover amount if I didn't enroll in a health care account Health Care FSA for the upcoming plan year?**
If you did not enroll in a Health Care FSA you can still carry over up to $500 in unused funds to the next plan year, as long as you're an active eligible employee on 12/31/2014.   This means you can use your carryover dollars to pay for your eligible expenses in the next plan year. This includes using your PayFlex debit card.

**What if I have more than $500 in unused funds at the end of the plan year?**
If you have more than $500 in unused funds in your Health Care FSA at the end of the plan year, you have until the end of your plan's run out period 2/15/15 to submit claims for eligible expenses incurred between 1/1/14 and 12/31/14. These claims would reduce the amount of your unused funds and still let you carry over up to $500 into the next plan year.

For example, if you have $750 in unused funds on 12/31/14 and you submit $250 in claims by the end of your run out period, you'll carry over the remaining $500 into the next plan year. If you don't have any claims to submit, you will lose $250 and carry over the remaining $500.

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**Does the amount I carry over change the amount I can contribute to a Health Care FSA?**
The amount you carry over does not change the amount you can contribute to a Health Care FSA.   If you carry over funds to the next plan year, you can still contribute up to $2,500 to your Health Care FSA.

**Does the carryover apply to Dependent Care FSAs?**
No, the carryover doesn't apply to a Dependent Care FSA.  Any funds left in your account after the end of your run out period will be forfeited.  Your run out period ends on 2/15/2015.

**What should I do next?**
You should review your current balance and your planned expenses for the remainder of the year.  Then, take into consideration that up to $500 of your unused balance can be carried over to the next plan year.  If you didn't have a Health Care FSA before, think about enrolling in the future to take advantage of valuable tax savings and the new carryover feature.