



## Dependent Care Flexible Spending Account (DCA)

A Dependent Care Account (DCA) is a flexible spending account that provides a tax-advantaged way to pay for eligible dependent care or elder care expenses. The DCA allows you to set aside money on a pre-tax basis to pay for eligible dependent care expenses that enable you or spouse to work, seek work, or attend school full time.

### The Dependent Care Account Advantage

A Dependent Care Flexible Spending Account provides a simple way to save money by allowing you set aside money on a pre-tax basis to pay for eligible dependent care expenses. Unlike other FSA accounts, DCA funds become available as they are deducted from your paycheck, and deposited into your account.

Under the IRS code, there are two tax advantage options available - the Dependent Care Spending Account and the Federal Income Tax Credit. Before deciding if the Dependent Care Flexible Spending Account is right for you, please consult your tax advisor for more information.

### Determining Your Annual Election

You may contribute up to \$5,000 annually (or \$2,500 if married and filing separately). Your annual election will be deducted from your pay check on a pre-tax basis each pay period throughout the year.

**Remember**, once you've made your election it cannot be changed during the plan year unless you experience an approved IRS Qualified Change in Status. Please refer to your Summary Plan Document (SPD) for additional details.

### Qualifying Eligible Dependents

Dependent care expenses must be for 'custodial care' for a qualifying individual. A qualifying individual is your dependent child under the age of 13 who lives with your more than half the year, or your spouse or other qualifying dependent that is physically or mentally incapable of self-care and lives with you for more than half the year.

### Grace Period and Run-out

Your plan includes a Grace Period, a 2 ½ month extension immediately following the end of the plan year, to incur eligible DCA expenses and use remaining funds in your DCA account. In addition, there is a 90 day run-out period to submit claims incurred during the previous plan year and applicable grace period. The grace period runs concurrent with the plan year run out.

- **Grace Period:** September 15<sup>th</sup> is the last day you can incur expenses using prior year DCA funds.
- **Run-out Period:** September 30<sup>th</sup> is the last day to submit claims for reimbursement of eligible expenses incurred on or before September 15<sup>th</sup>.

**Remember**, the grace period is not an extension of the plan year. Any unused funds in your DCA account at the end of the run-out period are forfeited per IRS regulations. Please refer to your Summary Plan Document (SPD) for additional details.



## Using Your DCA Funds

Use your DCA to reimburse eligible dependent care expenses. Typical eligible expenses include (but not limited to)-

- Preschool/nursery school or extended day programs (adult daycare, before or after-school care)
- Au pair services or Nanny services (amounts paid for the actual care of the dependent)
- Babysitter (in or out of the home)
- Summer day camp for your qualifying child under the age of 13
- Elder daycare expenses of a qualified individual

Remember, the primary function of 'care' must be for the well-being and protection; tuition expenses for kindergarten or higher, private school, or summer school are considered primarily educational, and not a qualifying expense. An extended list of DCA eligible expenses can be found at [www.benstrat.com](http://www.benstrat.com).

## The FlexExpress Debit Card - Easy Access to your DCA Account

It may look like a typical debit or credit card, but it's a special benefits card limited to dependent care only, and loaded with the available balance in your DCA account. Use the card to pay for IRS qualified expenses directly at the point of sale or when paying a bill.

Two identical cards are mailed to your home address upon your initial enrollment. FlexExpress debit cards are good for three (3) years and are reloaded with subsequent plan year elections. Similar to a credit card you'll automatically receive an updated FlexExpress debit card one (1) month prior to the cards expiration.

**Don't forget** the IRS requires you to keep all original documentation for purchases associated with FSA Debit Card purchases. You may be required to verify eligibility of claims by submitting documentation to Benefit Strategies.

## Submitting for Reimbursement

If you pay for eligible reimbursable services using a method different than the above FlexExpress Debit Card, you can submit for reimbursement through one of our quick and convenient reimbursement methods -

- Submit online through your secure account at [www.benstrat.com](http://www.benstrat.com)
- Submit through your mobile device through the BenStrat Mobile App
- Submit a completed paper claim request form via fax, secure email, or mail

All reimbursement methods require you submit the appropriate documentation. Receive claim payments faster with direct deposit (you can enroll in direct deposit using the applicable form found on [www.benstrat.com](http://www.benstrat.com)).

## FSA Account Resources

Stay up to date on your DCA account through the Benefit Strategies' Consumer Portal at [www.benstrat.com](http://www.benstrat.com) or BenStrat Mobile App. Here you can view account balance, claims history, filing deadlines, set up text message alerts, file for reimbursement, upload documents, and much more!

## Customer Service Team

- 888.401.3539 or [info@benstrat.com](mailto:info@benstrat.com)
- Monday - Thursday 8:00 am - 6:00 pm ET; Friday 8:00 am - 5:00 pm ET
- Automated response system available 24 x 7 through our toll free number

