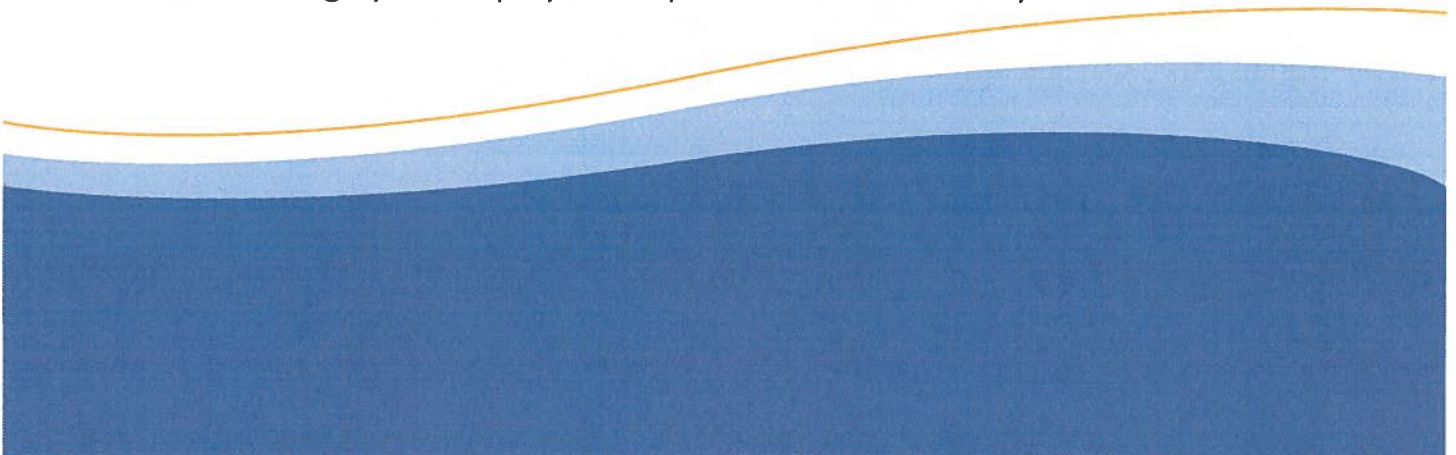


OPEN ENROLLMENT 2023



FLEXIBLE SPENDING STARK COUNTY SCHOOLS COG

Information contained in this packet will help you decide if you want to participate in one or both of the Flexible Spending Accounts (FSA) that are offered through your employer as a part of the Stark County Schools COG



FLEXIBLE SPENDING ACCOUNTS

Flexible spending accounts (FSA) are offered through the Stark COG and since your employer is part of the COG, this benefit will be available to you. You don't have to be enrolled in the medical insurance to be eligible to participate in the Flexible Spending Accounts. You also do not have to be eligible for medical insurance to be able to participate. Anyone employed by a Stark COG member, can participate in the Flexible Spending Accounts. Enrollment will have an effective date of January 1, 2023. This information is meant to explain the benefit to you so you can determine if you would like to participate for 2023. In the following pages, I will explain the benefits and incorporate the flyers from TASC (our FSA vendor) to help you understand the benefit.

If you choose to participate, you are only committed to the plan for one year. You must decide to participate or not each year at open enrollment time – typically the month of November.



The Stark County COG offers two types of FSA accounts:

Healthcare FSA

Dependent Care FSA

There is no cost to participate in this benefit. You determine how much money you want to contribute to the plan(s). The elected amount will be taken from your paycheck in 24 or 26 equal amounts through the year (depending on your pay schedule). All contributions will be deducted from your pay on a PRE-TAX basis. The more you contribute, the more you reduce your taxable income.

Previously this benefit had a use it or lose it clause – but the IRS has changed that so you can carry over up to **\$610** to the next plan year under the Healthcare FSA account. There is no carryover with the Dependent Care account.



Changes during the plan year are allowed only if you experience a change of status such as:

- Marriage or divorce
- Birth or adoption of a child
- Change in employment status

Download the Mobile App



Through the Mobile app, you can check your balances, request reimbursement, and obtain other information. You can also send a text message also to get account balance, request reimbursement, or receive automated reimbursement status alerts.

HEALTHCARE ACCOUNTS

The Healthcare FSA is used to cover medical expenses that are not covered by insurance. The maximum allowed per year, per person is **\$3,050**. You will receive a TASC debit card. It is pre-loaded with the amount you have elected for the year. All of your elected amount is available for use on January 1. Our insurance is extensive, but there are still expenses not covered.

Examples to use the money for are

1. The CARES Act of March 2020 expanded the benefits of FSAs by removing the prescription requirement for several OTC (over the counter) drugs and medicines, and by adding feminine hygiene products to the list of expenses eligible for reimbursement. This means you can now use your FSA (TASC) debit card to purchase these items or file for reimbursement. Some of the most common items that can now be purchased without a prescription include:

- Cold, cough, and flu medicine
 - Tampons, pads, and liners
 - Pain relievers and anti-inflammatory medications
 - Allergy and sinus medicine
 - Digestive aids and laxatives
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Baby rash ointments and creams

Baby electrolytes

Sleep aids

Skin treatments for conditions such as eczema and psoriasis

Acid controllers

Acne medications

Bandages

Contact solution

Heating pad

Nasal strips

Reading glasses

- 2. Deductible – you have a \$300 deductible/person or \$600 deductible/family to pay each year before the plan picks up anything. When you have an office visit, urgent care visit, hospital stay, etc., you receive a bill. You can use this TASC debit card to pay those bills.**
- 3. You will be paying 20% for the price of your medications. You can set up this debit card as the card you want Caremark to charge when you order your mail order medications. You can also use the card at a pharmacy when you purchase medications.**
- 4. Eyeglasses – Most vision insurance does not cover the entire cost of your prescription lenses, frames, and eye exam, your FSA money can be used to cover what insurance does not. If you don't have any vision coverage, this is a great way to pay for those expenses as well.**
- 5. Dental expenses are not totally covered by insurance. The coverage is 80% for basic and major services. This can also be used for braces for your family members. Your dental benefit does not cover the entire cost of braces.**
- 6. Some expenses for a disabled person are eligible expenses**
- 7. There are certain expenses that can be eligible with a Letter of Medical Necessity**
- 8. There are also some expenses that are completely ineligible.**
- 9. A complete list of eligible expenses can be found at www.irs.gov in IRS Publications 502 & 503. Please note insurance premiums are not eligible expenses.**

As you incur expenses that are eligible under the plan – you have two options to access your FSA funds:

- 1. You can use the TASC card at point of service. You just swipe your card like any other credit card and the funds are taken right from the account. If you receive an invoice from a medical provider, it will typically have a place where you can use a credit card to pay – you can use your FSA debit card to pay these Invoices.**
- 2. You can also request a reimbursement online, through your Mobile App, or Text Message.**

If you choose not to use your card at the point of service, your reimbursement will be direct deposited into your MYCASH account or to your designated bank account. This reimbursement can be used for anything since you have already paid for the medical expense and are being reimbursed for money you already spent.

DEPENDENT CARE ACCOUNTS

You can use pre-tax dollars to care for your child, disabled spouse, elderly parent or other dependent who is physically or mentally incapable of self-care so you can work

- 1. Dependent care expenses must be used for care of dependent so you or your spouse can work, look for work, or attend school full-time.**
- 2. Max. benefit per year is \$5,000 per family**
- 3. Child has to be under 13 to have their expenses qualify**
- 4. Spouse who is disabled has to have lived with you for more than half a year**
- 5. Any other disabled dependent that has lived with you for more than half a year and can be claimed as an exemption.**

These funds need to be paid to someone who is a licensed day care provider or someone who is claiming the income through the IRS.

Dependent Care funds are not available upfront. You will not be able to file for reimbursement for Dependent Care funds until you have had the funds deducted through



payroll. *For example*, if the first payroll of 2023 is Jan. 15 – you would not be able to get any funds reimbursed to you until after that date and you would only be able to get the amount that was deducted at that time.

Dependent Care DOES NOT cover medical costs – you would use the Healthcare FSA account for your dependent’s medical expenses.

The money you run through this account is not eligible to be claimed when you file your taxes. However, if you spend more than the amount you put in the account (up to a max. of \$5,000/year) the remainder of the money you spend not run through this account, CAN be claimed on your taxes.

There is no carryover of funds in the dependent care accounts. You have to make sure you can use all of the funds you put into the account in the calendar year. Remember, there are reasons (qualifying events) that you can stop your election into the account during the year or start an account during the year including change in job status, marriage or divorce, or birth of a child.

INFORMATION

TASC’s website, tasconline.com will guide you on using your card, how to get reimbursed if you do not use your card at the point of service, how to manage your account, and what MyCash is and how to manage those funds. It also will explain how to use the mobile app. If you are a first time participant you will need to set yourself up as a user.

Questions regarding Flexible Spending? Feel free to contact me at 330-492-8136, ext. 1356 or kim.sanford@apps.sparcc.org I will be glad to help you with the process.

Remember, with the Healthcare Flexible Spending Accounts, you can carryover up to \$610 at the end of the year. If you are considering this benefit and are not quite sure how much you think you would use, start out with the \$610 amount. Even if you don’t use any of it, you cannot lose it; it will carry over into the next year.





Save up to 30% on eligible expenses

Enroll in a TASC Flexible Spending Account (FSA) so you can use pretax dollars to pay for common, everyday expenses and reduce your taxable income.

Below is a partial list of reimbursable expenses that may be incurred by you, your spouse, or qualified dependents.

NOTE: If you (or your spouse) enroll in an HSA Plan, you may only enroll in a Limited-Purpose Healthcare FSA (LPHSA). The eligible expenses under an LPHSA are limited to Dental and Vision expenses only.

Eligible Medical Expenses

- Acupuncture
- Artificial limbs
- Bandages & dressings
- Birth control, contraceptive devices
- Birthing classes/Lamaze – only the mother's portion (not the coach/spouse) and the class must be only for birthing instruction, not child rearing
- Blood pressure monitor
- Chiropractic therapy/exams/adjustments
- Contact lens and contact lens solutions
- Co-payments
- Crutches (purchased or rented)
- Deductibles & co-insurance
- Diabetic care & supplies
- Eye exams
- Eyeglasses, contacts, or safety glasses (prescription)
- First aid kits & supplies
- Flu shots
- Hearing aids & hearing aid batteries
- Heating pad
- Incontinence supplies
- Infertility treatments
- Insulin
- Lactation expenses (breast pumps, etc.)
- Laser eye surgery; LASIK
- Legal sterilization
- Medical supplies to treat an injury or illness
- Mileage to and from doctor appointments
- Optometrist's or ophthalmologist's fees
- Orthopedic inserts
- Physical exams
- Physical therapy (as medical treatment)
- Physician's fee and hospital services

- Pregnancy test
- Prescription drugs and medications
- Psychotherapy, psychiatric and psychological service
- Sales tax on eligible expenses
- Sleep apnea services/products (as prescribed)
- Smoking cessation programs & deterrents (gum, patch)
- Treatment for alcoholism or drug dependency
- Vaccinations
- X-ray fees

Eligible OTC Medicines and Drugs

Over-the-counter (OTC) medicines and drugs are now reimbursable via FSA, HRA, and HSA without a prescription or physician's note if purchased on or after 01/01/2020.

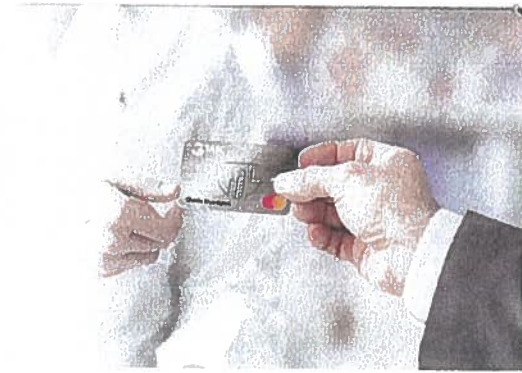
Eligible OTC products include items that are for medical care and are primarily for a medical purpose, and are compliant with federal tax rules under IRS Code Section 213(d).

- Allergy, cough, cold, flu & sinus medications
- Anti-diarrheals, anti-gas medications & digestive aids
- Canker/cold sore relievers & lip care
- Family planning items (contraceptives, pregnancy tests, etc.)
- Feminine care products (tampons, pads, etc.)
- Foot care (corn/wart medication, antifungal treatments, etc.)
- Hemorrhoid creams & treatments
- Hydrogen peroxide & rubbing alcohol
- Itch relief (calamine lotion, Cortizone cream, etc.)
- Nasal spray
- Oral care (denture cream, pain reliever, teething gel, etc.)
- Pain relievers - internal/external (Tylenol, Advil, Bengay, etc.)
- Skin care (sunscreen w/SPF15+, acne medication, etc.)
- Sleep aids & stimulants (nasal strips, etc.)
- Stomach & nausea remedies (antacids, Dramamine, etc.)
- Wound Treatments/Washes (Hydrogen Peroxide, Iodine)

Continued on next page.



Use your TASC Card to pay for eligible expenses at the point of purchase instead of paying out-of-pocket and requesting a reimbursement.



Eligible Dental Expenses

- Braces and orthodontic services
- Cleanings
- Crowns
- Deductibles, co-insurance
- Dental implants
- Dentures, adhesives
- Fillings

Eligible Dependent Care Expenses

- Fees for licensed day care or adult care facilities
- Before and after school care programs for dependents under age 13
- Amounts paid for services (including babysitters or nursery school) provided in or outside of your home
- Nanny expenses attributed to dependent care
- Nursery school (preschool) fees
- Summer Day Camp – primary purpose must be custodial care and not educational in nature
- Late pick-up fees
- Does not cover medical costs; use Healthcare FSA for medical expenses incurred by you or your dependents

For more information regarding eligible expenses, please review IRS Publication 502/503 at irs.gov or ask your employer for a copy of your Summary Plan Description (SPD).

Eligible Disability Expenses

- Automobile equipment and installation costs for a disabled person in excess of the cost of an ordinary automobile; device for lifting a mobility impaired person into an automobile
- Braille books/magazines in excess of cost of regular editions
- Note-taker for a hearing impaired child in school
- Seeing eye dog (buying, training, and maintaining)
- Special devices, such as a tape recorder or typewriter for a visually impaired person
- Visual alert system in the home or other items such as a special phone required for a hearing impaired person
- Wheelchair or autoette (cost of operating/maintaining)

Requiring Additional Documentation

The following expenses are eligible only when incurred to treat a diagnosed medical condition. Such expenses require a **Letter of Medical Necessity** from your physician, containing the medical necessity of the expense, diagnosed condition, onset of condition, and physician's signature.

- Ear plugs
- Massage treatments
- Nursing services for care of a special medical ailment
- Orthopedic shoes (excess cost of ordinary shoes)
- Oxygen equipment and oxygen
- Support hose (non-compression)
- Varicose vein treatment
- Veneers
- Vitamins & dietary supplements
- Wigs (for mental health condition of individual who loses hair because of a disease)

Questions? Ask your employer or contact your Plan Administrator.
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Determine if your Dependent Care expenses qualify for reimbursement from FSA



The TASC Dependent Care FSA allows you to use pretax dollars to pay for eligible expenses related to care for your child, disabled spouse, elderly parent, or other dependent who is physically or mentally incapable of self-care, so you (or your spouse) can work, look for work, or attend school full-time. **Medical expenses for your dependent are not eligible for reimbursement under the TASC Dependent Care FSA.**

Eligibility for the dependent care benefit requires that certain criteria be met, which is outlined in this document.

- A) **The dependent care expenses must be work-related.** The care must be necessary for the employee and/or the employee's spouse to work, to look for work, or to attend school full-time, or if they are physically unable to care for their children.
- B) **The dependent care expenses provided during a calendar year cannot exceed \$5,000.** (The American Rescue Plan Act of 2021 allows for this limit to be increased to a maximum of \$10,500 for 2021 - ask your employer for the specific limit set in your plan during the 2021 calendar year.)
In the case of a separate return by a married individual, the limit is \$2,500. This amount may be less if the employee's earned income or spouse's earned income is less than \$5,000.

Dependent care expenses must be for the care of one or more qualifying persons.

A "Qualifying Person" is defined as one of the following:

- A dependent child who was under age 14 (per the 2021 Consolidated Appropriations Act) when care was provided and for whom a tax exemption can be claimed.
- A spouse who was physically or mentally unable to care for him/herself and lived with you for more than half the year.

Eligible and Ineligible Expenses for Dependent Care FSA Reimbursement (partial list)

Allowed for Reimbursement:

- Fees for licensed day care or adult care facilities
- Before and after school care programs for dependents under age 14
- Amounts paid for services (including babysitters or nursery school) provided in or outside of your home
- Nanny expenses attributed to dependent care
- Nursery school (preschool) fees
- Summer Day Camp – primary purpose must be custodial care and not educational in nature
- Late pick-up fees

NOT Allowed for Reimbursement:

- Medical expenses
- Baby-sitter in or out of your home for reasons other than to enable you to work
- Activity fees/educational supplies
- Food, clothing, and entertainment
- Transportation expenses
- Child support payments
- Kindergarten fees
- Overnight camp
- Late payment charges

Continued on next page.

For more information regarding eligible Dependent Care expenses, please review IRS Publication 503 or ask your employer for a copy of your Summary Plan Description (SPD).

You can also find current contribution limits on our resource page at:

www.tasconline.com/benefits-limits

To receive the dependent care benefit, one must follow these procedures:

- A) All persons and organizations that provide dependent care for a qualified person must be identified. This information is requested on IRS Form 2441. The name, address, and taxpayer identification number of the provider must be included. Under certain circumstances, the taxpayer identification number will be a social security number.
- B) If the care is being provided by a center that cares for more than six (6) persons, the center must comply with all state and local regulations.
- C) Payments made to relatives who are not dependents can be included; however, do not include amounts paid to a dependent for whom you can claim an exemption or for your child who is under age 19 at the end of the year, regardless of whether he or she is your dependent.
- D) Use Form W-10 to request the required information from the care provider.

Special rules apply to children of divorced or separated parents:

Even if you cannot claim your child as a dependent, he or she is treated as your qualifying person if all of the following are true:

- The child was under **age 14** or was not physically or mentally able to care for himself or herself.
- One or both parents provided more than half of the child's support for the year and are divorced, legally separated, or lived apart at all times during the last six (6) months of the calendar year.
- One or both parents had custody of the child for more than half of the year.
- You were the child's custodial parent. The custodial parent is the parent having custody for the greater portion of the calendar year. If the child was with both parents for an equal number of nights the parent with the higher adjusted gross income is the custodial parent.

A non-custodial parent that is entitled to claim the child as a dependent on their tax return may not treat the child as a qualifying individual for the dependent care benefit even when that parent is financially responsible for providing the care. Only one parent (the custodial parent) may qualify for the dependent care benefit for a taxable year. The regulations do not provide any relief for a non-custodial parent that incurs dependent care expenses for the portion of the year in which they have custody of the child to enable the non-custodial parent to work.

Questions? Ask your employer or contact your Plan Administrator:
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