

Flexible Spending Account

An account for setting aside tax-free money for healthcare expenses

Adding a flexible spending account (FSA) to a benefits program can help employers save on FICA taxes while giving their employees a benefit that helps them pay for everyday healthcare expenses.

How it Works

Employees who enroll in an FSA can experience tax savings on qualified expenses such as copays, deductibles, prescriptions, over-the-counter drugs and medications, and thousands of other everyday items. Employers receive FICA tax savings for every employee who participates.

Employee Savings Example

Annual Gross Pay: \$40,000

Yearly FSA Contribution: \$2,500

Tax Deductions (25%): 9,375

Take-Home Pay without FSA: \$30,000

Take-Home Pay with FSA: \$30,635 (\$635 increase in take-home pay)

Benefits for Employers

- No payroll taxes due on the amounts employees contribute to the FSA
- Helping employees save money on their everyday medical expenses can aid in employee retention and recruitment

Benefits for Employees

- For every dollar an employee contributes to an FSA, that's one less dollar they're being taxed on from their income.
- Employees can prepare for upcoming medical expenses or unexpected emergencies
- User-friendly online account and mobile app makes it easy for employees to manage their benefits

FSA Contribution Limits

- \$3,050

Industry's Only Complimentary FSA Guarantee

If participants spend more than they contribute, resulting in a net aggregate loss in the employer's plan, Ameriflex will refund the difference back to the employer.

MyPlanConnect

MyPlanConnect is an additional feature you can add to your FSA program. It connects your employees' FSA transactions with their insurance Explanation of Benefits (EOB). If the card transaction matches the employee's EOB, MyPlanConnect will prepare the claim and allow the employee to request reimbursement without the need to submit additional documentation. This saves employers time by reducing questions regarding claims and the number of challenges regarding claim eligibility.

How does it work?

Step 1: Your employees connect their insurance plans.

Step 2: Our system pulls data and pre-fills forms.

Step 3: Participant reviews and requests reimbursement.

Rollover and Grace Period

A rollover allows participants to carry up to \$610 of unused FSA funds to the next plan year. A grace period gives participants an extra 2 ½ months after the close of the plan year to incur expenses using their remaining FSA funds.