

Flexible Spending Account

Administered by Wex



Out-of-pocket health care and dependent care expenses can add up quickly. Ordinarily these expenses are paid with after-tax dollars. A Flexible Spending Account allows employees to pay for dental, vision and/or dependent day care expenses using pre-tax dollars. The money set aside in a flexible spending account is not subject to Social Security, federal or state income taxes.

Health Care FSA

If an employee is enrolled in a Medical Plan through **Willmar Public Schools**, they can also enroll in a Flexible Spending Account (FSA). This account allows an employee to set aside pre-tax dollars to pay for eligible medical, dental and vision expenses. Employees who are enrolled in a medical FSA for may contribute up to \$3,400 per year on a pre-tax basis. **For those employees also enrolled in the HSA plan, the medical FSA becomes “Limited Purpose” restricting your spending to just dental and vision expenses.**

- Expenses must be incurred by you, your legal spouse, or your other eligible dependents.
- **The maximum calendar year contribution for the Medical Reimbursement and Limited Purpose spending account is \$3,400.**
- Only expenses incurred during your participation in the plan are eligible for reimbursement.
- Your participation in the reimbursement account ends when you leave **Willmar Public Schools** or you no longer meet the eligibility requirements.
- You may submit claims for expenses incurred after your termination date only if you elect COBRA continuation coverage and make the required contributions.

Dependent Care FSA

This account allows an employee to set aside pre-tax dollars to pay for eligible dependent care expenses. The maximum contribution amount is \$7,500 (\$3,750 if married and file taxes separately). The deadline for sending in Dependent Care FSA claims that were incurred during the Plan Year, is March 31st.

- Eligible dependents are your children who are under age 13 or your eligible dependents of any age who are mentally or physically handicapped and incapable of caring for themselves. Care can be given in your home or in a facility outside of your home.
- **The maximum contribution is the lesser of: \$7,500 per calendar year, per family (or \$3,750 if married and filing taxes separately), or the lowest earned income of you or your spouse.**

Estimate expenses carefully. IRS rules require any money remaining in these account at year-end be forfeited

If an employee wants to participate in the Full Health Care, Limited Health Care and/or Dependent Care FSA for 2027, they must enroll during the annual enrollment period, even if they participated the prior year.