



2013 Health Care Reform Requirements for Health FSAs Frequently Asked Questions

Q: Is there a new limit on contributions to Flexible Spending Accounts (FSAs)?

A: Yes. Pre-tax employee salary-reductions for FSAs are limited to \$2,500 for plan years beginning on or after January 1, 2013.

Q: What if our plan year starts in 2012 and ends in 2013?

A: The \$2,500 limit does not apply to plan years that begin before January 1, 2013. The \$2500 limit will take effect at the start of the next plan year in 2013.

Q: Our Flexible Spending Plan has a 2 ½ month extension. Will I lose unspent funds that could have been used during the 2 ½ month extension?

A: For plans with a grace period, any unused FSA contributions for plan years beginning in 2012 that are carried into the grace period for 2013 will not count against the \$2,500 limit for the 2013 plan year.

Q: Is there a new limit on Dependent Care or HRA elections?

A: No. The \$2500 cap is for FSAs only. Dependent Care elections and HRA employer contributions are not affected by this change.

Q: Will the contribution limit remain at \$2,500 after 2013?

A: No. The Affordable Care Act ties the FSA limit to the Consumer Price Index. We will notify our clients of the maximum amount available before the start of each new plan year as the IRS makes those numbers public.

Q: Will over-the-counter medicines be eligible for reimbursement?

A: Over-the-Counter items have been limited by the Affordable Care Act. For guidance with eligible or non-eligible items please see the information sheets provided in your enrollment packet. These information sheets are also available on our website at www.wernitz.com.



Q: I've heard that children up to age 26 are now eligible for employee health benefits. What should I know about this change in the law?

A: Section 2714 of the Affordable Care Act expands the availability of coverage for group health plans to adult children of employees until the child attains age 26. These same rules apply to Cafeteria Plans, Flexible Spending Arrangements, and Health Reimbursement Arrangements. Eligible dependents must be included on the annual election form prior to their participation in the Flexible Benefit Plan. (more details are available through your Human Resources department)

For all other questions, please contact your Wertz & Associates FSA Administrator.