

Flexible Spending Accounts (FSAs) and Commuter Accounts

Administered by ASIFlex



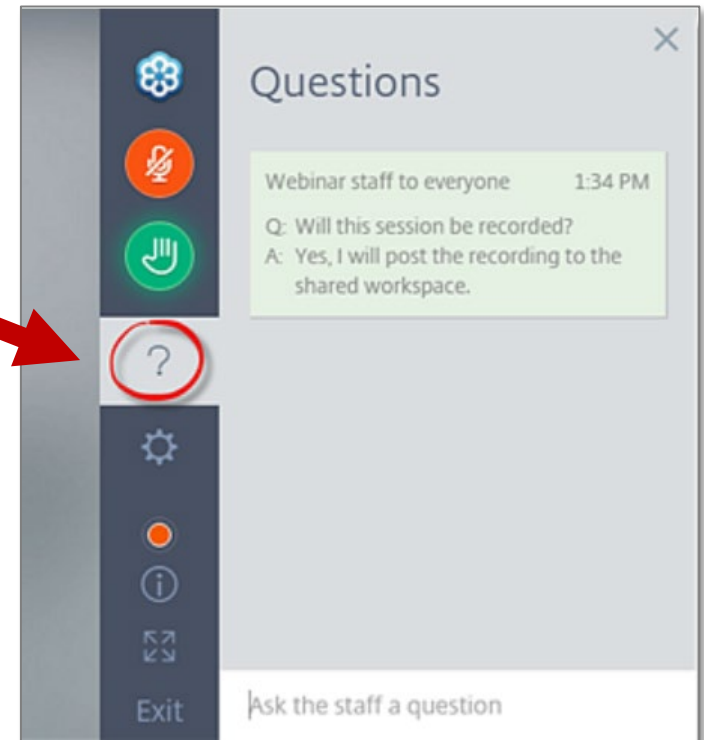
www.asiflex.com/ORPEBB

Presented by:
Linda Freeze



Webinar Tips

- ✓ Type in questions anytime during the live webinar. Questions will be answered at the end of the presentations.
- ✓ Closed captioning will be available next week in our YouTube recording.
- ✓ You will receive a follow-up email when the recording is available.
- ✓ Additional Open Enrollment materials are available at PEBBinfo.com.



Flexible Spending Accounts (FSAs)

What is an FSA?

- IRS-regulated spending account.
- Annual account to save pre-tax money for eligible expenses.
- Must enroll or re-enroll annually (enrollment does not carry over).
- Pretax contributions made through monthly payroll deductions.
- Pay for current year's eligible expenses.
- "Use it or lose it" – funds do not roll over at the end of the plan year.

Administrator:

- ASIFlex administers PEBB's FSA and Commuter Benefits.



Flexible Spending Accounts (FSAs)

IRS rules

- Enroll annually; elections last the plan year unless a Qualified Status Change (QSC) occurs.
- Not required to be covered under PEBB health insurance.
- Access full health care funds anytime during the year.
- Unused funds are forfeited if not used within the year.
- Expenses can be for spouse and dependent children (not domestic partners).
- Grace period extends 2.5 months (until March 15).



Flexible Spending Accounts (FSAs)

How FSAs work

1

Estimate your expenses for the upcoming year

2

Make pretax contributions via paycheck throughout the year

3

Incur eligible expenses

4

Submit claims to ASIFlex by the deadline

Get
reimbursed!



Flexible Spending Accounts (FSAs)

PEBB offers two types of FSAs

- **Health Care FSA:**
 - Covers eligible medical, dental, and vision expenses
 - Includes deductibles, copays, office visits, tests, supplies
 - Find a full list of eligible expenses at <https://www.irs.gov/publications/p502>
- **Dependent Care FSA:**
 - Covers your eligible dependent care expenses
 - Includes childcare for children up to age 13 and care for dependent elders (daycare, after-school care, pre-school expenses)
 - Find a full list of eligible expenses at <https://www.irs.gov/publications/p503>



Flexible Spending Accounts (FSAs)

Annual enrollment required

Take action if you want an FSA in 2025!

- You must complete Open Enrollment to newly enroll or continue your Health Care or Dependent Care FSA.
- FSA enrollments do not carry over to the next plan year.
- If you don't enroll in an FSA during Open Enrollment (Oct. 1 – 31), you will not be allowed to add one during the correction period.

Important!

If you choose not to participate in the passive Open Enrollment, you won't be able to make corrections during the correction period. You'll need a qualifying life event to make any changes.



Health Care FSA

Annual maximum

- \$3,200 per subscriber

Avoid forfeitures:

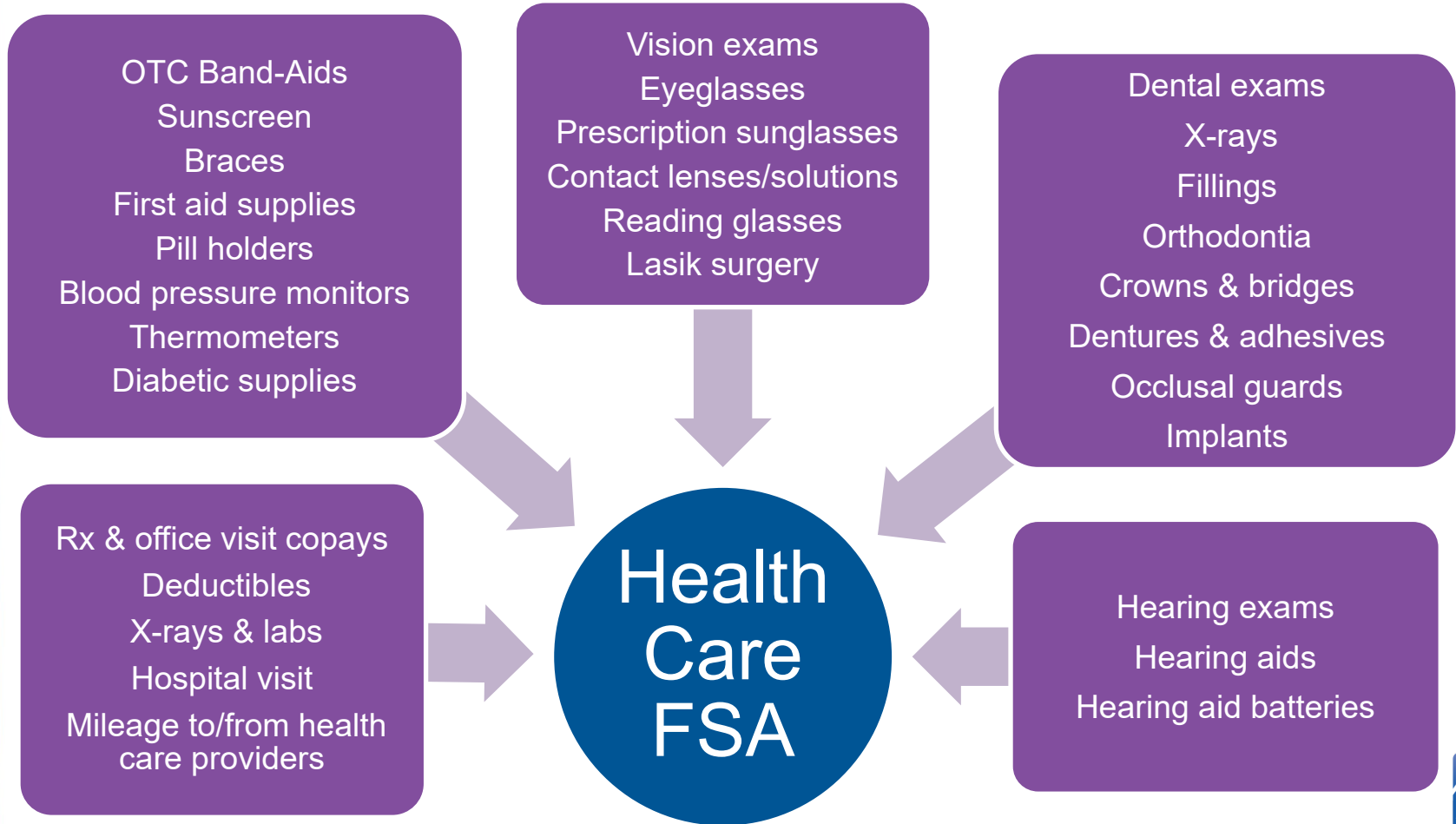
- Plan for predictable, recurring expenses.
- Review past expenses as a guide.
- Be conservative – elections are final once enrolled.
- Use these tools:
 - ASIflex.com/ORPEBB – expense estimator, eligible expense list
 - FSASStore.com for over-the-counter (OTC) products.
- Take advantage of the grace period – you have an extra 2.5 months to use your funds.

Use it or lose it!
Funds do not roll over to the next plan year.



Health Care FSA

Eligible expenses



Health Care FSA

Ineligible expenses

- Services not provided yet; pretreatment estimates
- Cosmetic treatments or medications
- Illegal operations
- Expenses paid by insurance
- Diapers, maternity clothes
- Insurance premiums
- Dancing, swimming lessons
- Holistic treatments, natural remedies, vitamins
- Warranties

Eligible FSA Expenses

Find a full list of eligible Health Care expenses:

<https://www.irs.gov/publications/p502>



Dependent Care FSA

Annual maximum

- \$5,000 per family
- \$2,500 if married and filing separate income tax returns
- See IRS Publication 503 for details:
<https://www.irs.gov/publications/p503>

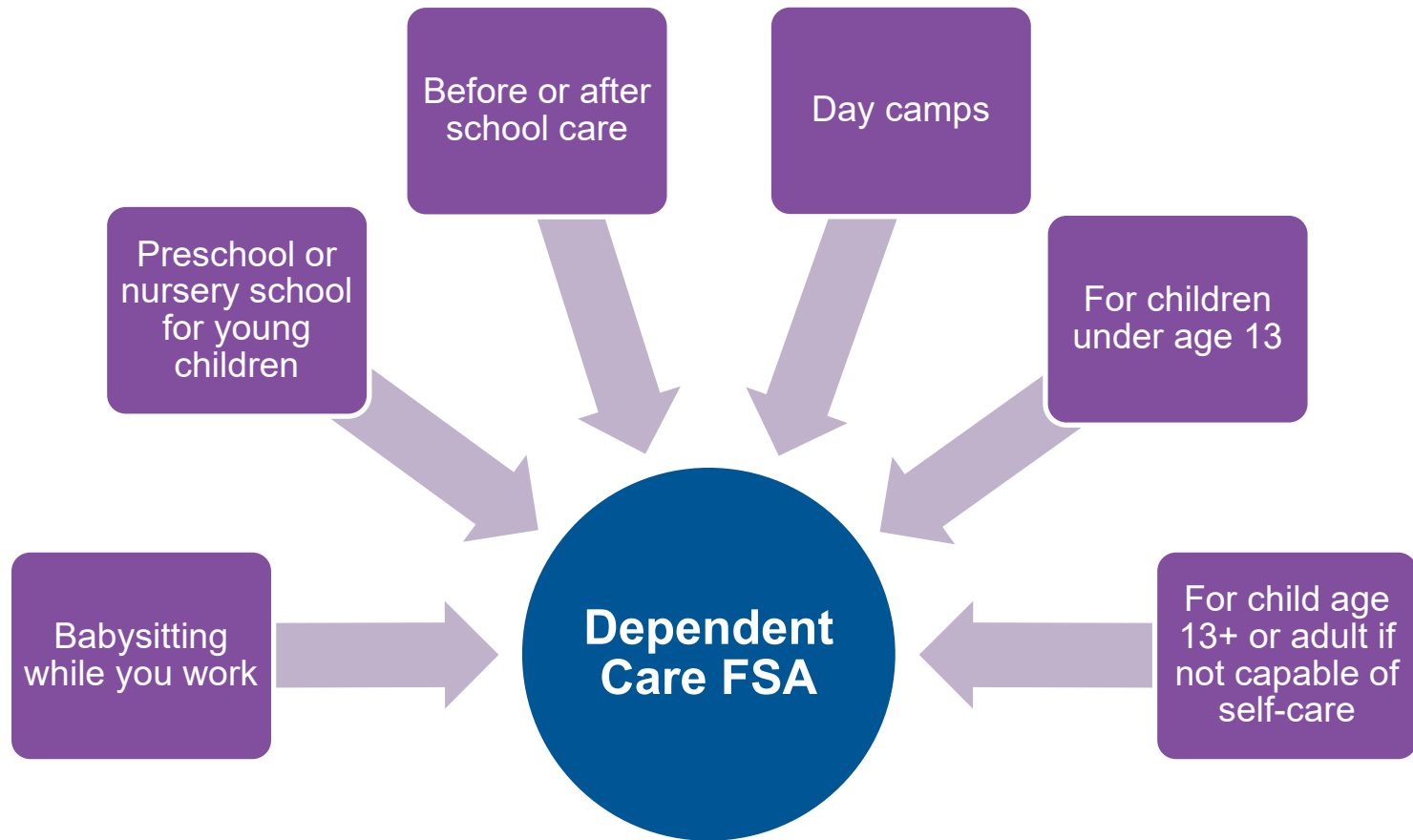
Use it or lose it!

Funds do not roll over to the next plan year.



Dependent Care FSA

Eligible expenses



Dependent Care FSA

Ineligible expenses

- Services not yet provided
- Educational or tuition expenses
- Kindergarten or higher education costs
- Overnight camp expenses
- Services during vacation, holidays, or leave of absence
- Only custodial parent's expenses eligible in divorce situations
- Expenses exceeding \$5,000 per family per calendar year

Eligible FSA Expenses

Find a full list of eligible Dependent Care expenses:

<https://www.irs.gov/publications/p503>



Dependent Care FSA

Helpful tips

- Start a Dependent Care FSA when you're ready to begin childcare, not at birth or during Open Enrollment.
- Notify PEBB within 30 days if your childcare situation changes in 2025 to adjust FSA contributions.
- Submit claims promptly to avoid losing funds.
- Dependent Care FSA cannot be used for healthcare expenses for your dependents.



Flexible Spending Accounts (FSAs)

Important dates

- Claims must be incurred between January 1 and March 15 of the following year (14 ½ months) or during your coverage period.
- Incurred means the service was received or the product secured, regardless of payment timing.
- Claims submission deadline: March 31.
- Submit early to avoid missing the deadline.



Commuter Benefit Accounts

How do they work?

- IRS-regulated account
- You can enroll, change, or cancel anytime
- Your election is month-to-month
- Make pretax contributions through payroll deductions
- Pay for current month commuting expenses
- Submit claims for parking or transit expenses incurred during your coverage period
- Reimbursements are capped at the IRS monthly limit
- Unused funds are forfeited after 6 months



Commuter Benefit Accounts

Two types: Parking and Transit

Parking Reimbursement Account pay for:

- Parking at your place of employment, or
- Parking at a location from which you commute to work

Note: You don't qualify for the Parking Reimbursement Account if you park at a state-owned lot or garage, and you pay the parking expense through payroll deductions.

Select a parking option:

- **State-owned lot:** Parking costs are deducted pretax from your paycheck by the State.
- **Non-state-owned lot:** Set aside a chosen amount into a pretax parking reimbursement account.

Important! You can only choose one option!

If you park at a state-owned lot or garage, and you pay the parking expense through payroll deductions, you aren't eligible for the Parking Reimbursement Account.



Commuter Benefit Accounts

Two types: Parking and Transit

Transit/Vanpool Reimbursement Account:

- Set aside a pretax amount for commuting expenses via a transit reimbursement account
- Bus, rail, ferry, vanpool expenses that you incur commuting to and from work
- Bicycles are NOT included



Parking Reimbursement Account

\$315 maximum per month*

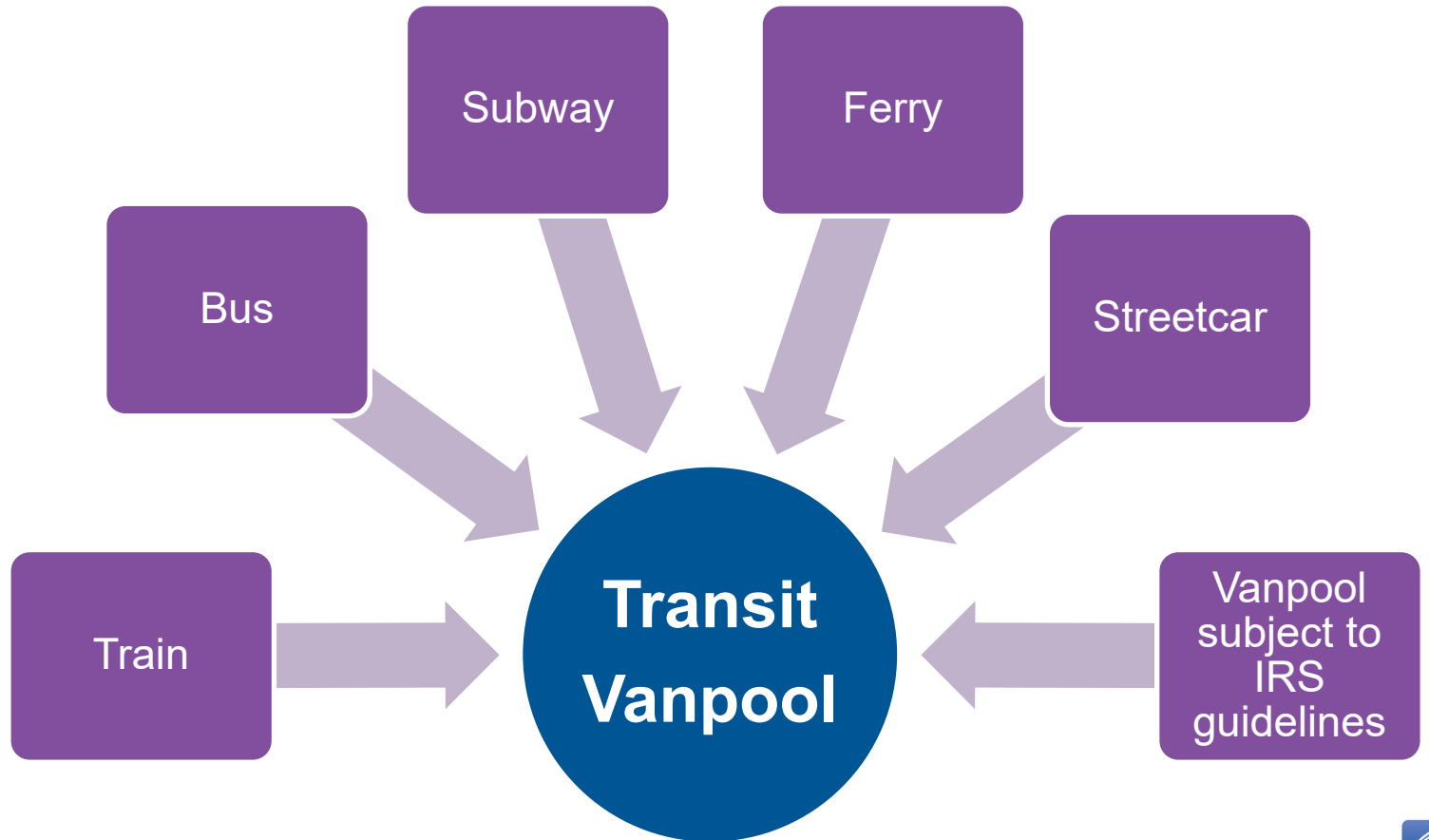


* Limits are set annually by IRS regulations.



Transit/Vanpool Reimbursement Account

\$315 per month*



* Limits are set annually by IRS regulations.



Commuter Benefit Accounts

Ineligible Expenses

- Non-work-related parking or transit costs
- Parking at a state-owned lot already deducted pretax
- Bicycle or repairs
- Rideshare (Uber, Lyft)
- Gas, fuel, or vehicle repairs



Commuter Benefit Accounts

IRS requires proof with claims



The IRS requires you to:

- **Certify** that expenses are eligible and not reimbursed elsewhere.
- **Provide third-party documentation**, or explain if unavailable (e.g., metered street parking).
- **Submit claim form:** Required for manual submissions (mail/fax), but not for online or debit card claims.



Commuter Benefit Accounts

Important dates

- Claim deadline: Submit by **March 31** for expenses incurred the previous year.
- Inactive accounts (no activity for 180 days) are terminated, and balances are forfeited.

University members only:

- When enrolling online, be sure you select the correct number of contributions and indicate any months without contributions.
- Errors may impact your balance.

Summary for employee of 58030 Oregon State University		(Open)
Number of Contributions per year: <input checked="" type="radio"/> 9 <input type="radio"/> 10 <input type="radio"/> 11 <input type="radio"/> 12		No Contribution Months for the year: <input type="checkbox"/> June <input type="checkbox"/> July <input type="checkbox"/> August <input type="checkbox"/> September
Action	Plan Type/Plan Name	
Enroll	Dependent Care Flexible Spending Account	
Enroll	Health Care Flexible Spending Account	
Enroll	Transportation	
Enroll	Parking	
Back Continue		



ASIFlex Corrections

Before January 1, 2025:

- You must request changes to your 2025 FSA by **December 13, 2024**.
- Updates will be effective January 1, 2025.
- If you don't enroll during Open Enrollment in October, you can't sign up for an FSA.
- Make sure you understand your choices, amounts, and any penalties if you fail to make a change before January 1, 2025.



ASIFlex Corrections

As of January 1, 2025:

- All ASIFlex issues go to PEBB as appeals.
- No Health Care or Dependent Care FSA cancellations or changes unless you experience a Qualified Status Change (QSC).
- No retroactive FSA corrections or enrollments (members may lose money).
- No mid-year enrollments or prospective increases/decreases without a QSC.
- PEBB will adjust the number of months prospectively if you enroll mid-year with a QSC.



ASIFlex Corrections

After Open Enrollment, PEBB will send letters and emails to verify your ASIFlex enrollments.

- You will receive one USPS mailing and one email for each ASIFlex benefit enrollment (FSAs, Commuter)
- Letters are printed on different colors of paper depending on the type of enrollment:
 - **Health Care FSA = Blue**
 - **Dependent Care FSA = Pink**
 - **Parking Account = Orange**
 - **Transportation Account = Green**



ASIFlex Corrections

The purpose of PEBB sending the letters and emails is to:

- Confirm the account(s) you selected during Open Enrollment are correct
- Explain how the account(s) work, what's covered, and what's not allowed
- Confirm your monthly contribution amount
- Confirm the number of months you plan to contribute
- Explain rules for making corrections
- Provide corrections deadline and penalties for not making corrections, if needed



ASIFlex Customer Service



Contact ASIFlex for account details and claims questions.

Web: www.asiflex.com/ORPEBB

Email: asi@asiflex.com

Phone: 800-659-3035

Mailing address:

PO Box 6044
Columbia, MO 65205

Hours of operation:
Monday – Friday: 5 a.m. – 5 p.m. PT
Saturday: 7 a.m. to 11 a.m. PT

PEBB Member Services

Phone: 503-373-1102

Monday – Friday, 8 a.m. – 5 p.m.

Email: pebb.benefits@odhsoha.oregon.gov

Fax: 503-373-1654

Enroll: PEBBenroll.com

PEBB Forms:

<https://www.oregon.gov/OHA/PEBB/Pages/forms.aspx>

Plan Info: PEBBinfo.com

Language services are available. Email to set an appointment.