

Federal Flexible Spending Account (FSAFEDS) Open Season

The Federal Flexible Spending Account (FSAFEDS) Open Season will take place November 10, 2014 through December 8, 2014. The FSAFEDS program is a pre-tax benefit program that is offered to eligible Federal employees through the FSAFEDS Open Season. **Unlike health insurance, enrollments do NOT carry forward from year to year. Current participants MUST RE-ENROLL for 2015.**



Announcing Three Important Changes for the 2015 Benefit Period:

- The minimum election for all accounts has been lowered from \$250 to \$100.
- The maximum contribution for the Health Care or Limited Expense Health Care Flexible Spending Account (FSA) has increased from \$2,500 to \$2,550.
- If you are enrolled in a Health Care or Limited Expense Health Care FSA, you will be able to carry over up to \$500 of unspent funds from 2015 to 2016. There will no longer be a grace period for incurring health care expenses; meaning all eligible expenses must be incurred between January 1, 2015 (or the effective date in the plan) and December 31, 2015.

Please refer to the comparison of what changes are coming for the 2015 Benefit Period below:

2014 Benefit Period	2015 Benefit Period
Grace period until March 15, 2015.	No grace period.
All money available to spend until March 15, 2015.	No expenses can be incurred after December 31, 2015.
Zero funds carry over from 2014 to 2015.	Up to \$500.00 may carry over for all of 2016 but only for expenses incurred in 2016. Must have re-enrolled for 2016 to be eligible to use carryover.

How Does It Work? FSAs offer tax savings by allowing you to pay for eligible out-of-pocket health care and dependent care expenses with pre-tax money. By using pre-tax dollars to pay for these expenses, an FSA gives you an immediate discount that equals the taxes you would otherwise pay on that money. Without an FSA, you would still pay these expenses, but you would do so using money remaining in your paycheck after Federal (and often state and locality) taxes are deducted. There are three types of FSAs available:

- The **Health Care FSA** (HCFSA) is used to pay for eligible health care expenses such as co-payments and deductibles not covered by the Federal Employees Health Benefits (FEHB) Program, the Federal Employees Dental and Vision Insurance Program (FEDVIP), or any other insurance.
- The **Limited Expense HCFSA** (LEX HCFSA) for eligible dental and vision expenses is designed for individuals who are enrolled in or covered under a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA). Under IRS rules, you **cannot** enroll in a general purpose HCFSA and an HSA at the same time. But you **can** enroll in a LEX HCFSA and an HSA at the same time. A LEX HCFSA limits coverage to eligible dental and vision expenses not covered by other insurance.
- A **Dependent Care FSA** (DCFSA) is used to pay for childcare and/or adult dependent care expenses that are necessary to allow you and your spouse (if married) to work, look for

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work, or attend school full time. You, and your spouse if married, must have earned income during the year in order to be eligible.

How Do I Enroll? Employees who wish to enroll must enroll during the upcoming Open Season (November 10 – December 8, 2014). FSA elections are completely voluntary. NASA does not play a part in the FSAFEDS enrollment process. You enroll directly with FSAFEDS, either through their Web site, www.FSAFEDS.com, or by calling an FSAFEDS Benefits Counselor. If you have questions during the enrollment process, contact an FSAFEDS Benefits Counselor toll-free at 1-877-372-3337 (1-877-FSAFEDS).

When Will the FSA be Effective? The Benefit Period begins January 1, 2015 and ends December 31, 2015. Any money you elect to set aside in an FSA for a given Benefit Period may be used only for eligible expenses you incur for services received during that Benefit Period.

For more information, visit: www.FSAFEDS.com.

Any questions concerning this notice, contact:

NSSC Customer Contact Center

1-877-677-2123 (1-877-NSSC123) or nssc-contactcenter@nasa.gov.