

Federal Benefits Open Season 2007 – Flexible Spending Account (FSA)

November 12, 2007 to December 10, 2007

The Federal Flexible Spending Account (FSA) program is a pre-tax benefit program that is offered to eligible Federal Employees through the FSA Open Season held in conjunction with the Federal Employees Health Benefits (FEHB) Open Season from mid-November to mid-December each year.

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 not covered by the FEHB Program, the new Federal Employees Dental and Vision Insurance Program, or any other insurance. Expenses such as co-payments, co-insurance, deductibles, over-the-counter medicines, medical supplies, prescription drugs, vision and dental care, even shipping and handling charges for mail-order prescriptions and eligible over-the-counter items are covered.
- The **Limited Expense Health Care FSA** (LEX HCFSA) 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 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?

You must enroll during the upcoming Open Season (November 12 - December 10). Current participants MUST RE-ENROLL for 2008. Enrollments do NOT carry forward year-to-year.

FSA elections are completely voluntary. To enroll visit: <http://www.fsafeds.com/fsafeds/Warning.asp>. Once you submit a benefit election, your FSA is irrevocable for that Benefit Period unless you experience a Qualifying Life Event. For more information on Qualifying Life Events visit: <http://www.fsafeds.com/forms/qscfact.pdf>

When Will the FSA be Effective?

The Benefit Period begins January 1, 2008 and ends March 15, 2009. Any money you elect to set aside in a flexible spending account for a given Benefit Period may be used only for eligible expenses you incur for services received during that Benefit Period.

How Do I Learn More?

Visit <https://www.fsafeds.com/fsafeds/eligibleexpenses.asp> to view eligible health care services, products and expenses. Visit <http://www.fsafeds.com/fsafeds/faq.asp> for more information on Flexible Spending accounts.

Any questions concerning this notice, contact:
NSSC Customer Contact Center
1-877-NSSC123 or nssc-contactcenter@nasa.gov