

## FSAFEDS “Use or Lose” Deadline and Carryover Policy

This notice provides an overview of the “use or lose” rule and the carryover policy for the Federal Flexible Spending Account (FSAFEDS) Program. FSAFEDS is a pretax benefit program offered to eligible federal employees. The following are the three types of Flexible Spending Accounts (FSAs) available:

- Health Care FSA (HCFSA)
- Limited Expense HCFSA (LEX HCFSA)
- Dependent Care FSA (DCFSA)

### What are the upcoming carryovers?

Participants may carry over up to \$570 of unused funds remaining in their Health Care Flexible Spending Account (HCFSA) and Limited Expense Flexible Spending Account (LEX HCFSA) at the end of 2022 into 2023, if they re-enroll for the 2023 plan year. At the end of the 2023 benefit year, participants will be able to carryover up to \$610 of unused funds remaining in their HCFSA and LEX HCFSA into 2024, if they re-enroll for the 2024 plan year.

### What do I need to know about my Dependent Care FSA funds?

The use or lose rule applies to DCFsAs. By law, DCFsAs cannot use a carryover policy. Use or lose refers to an Internal Revenue Service (IRS) requirement that states if you do not spend all of the money you placed into your DCFSA during 2022 by March 15, 2023, any money remaining in the account will be forfeited because it cannot be rolled over or refunded to you. Neither the Office of Personnel Management (OPM) nor the National Aeronautics and Space Administration (NASA) has the authority to make any exception to this IRS rule.

**Note:** DCFsAs allow an additional 2½ months’ grace period (through March 15, 2023) to incur dependent care expenses against your 2022 benefit period. You have until midnight eastern time (ET) on April 30, 2023, to file claims for reimbursement for eligible expenses incurred during the previous benefit period. Refer to the instructions at the end of this notice for submitting your receipts.

### What do I need to know about my Health Care FSA funds?

Rather than a grace period, HCFsAs allowed carryover of all remaining funds in an HCFSA or LEX HCFSA to the 2023 Benefit Period if you re-enrolled in the same account(s) during Open Season for the new benefit year, which began Jan. 1, 2023. All eligible expenses for 2022 must have been incurred by Dec. 31, 2022, and those claims may be submitted up until midnight ET on April 30, 2023.

### Carryover Policy Overview:

- For you to be eligible to use carryover funds, both of the following conditions must apply:
  - As of Dec. 31, 2022, you had a remaining Health Care FSA balance.
  - You are re-enrolled in an FSAFEDS Health Care FSA for 2023.
- If carryover applies to you:

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- All remaining eligible funds in an HCFSA or LEX HCFSA will be carried over to the 2023 Benefit Period if you re-enrolled in the same account(s) during Open Season for the 2023 benefits year. A balance in a DCFSA did NOT roll over.
- If you did not re-enroll in these FSAs, all unused funds were forfeited at the end of the 2022 Benefit Period, and you will not be eligible to carry over any balance.

**Important:** Be sure you submit 2022 expenses before submitting 2023 expenses because claims are processed in the order in which they are received. If you use all 2022 carryover funds, your 2023 funds cannot be used for 2022 expenses.

### **What is the deadline for submitting my 2022 receipts and how do I submit them?**

You have until midnight ET on April 30, 2023, to submit claims for expenses incurred by Dec. 31, 2022. To file a claim, visit the FSAFEDS website, then click the **FILE A CLAIM** tab.

For additional guidance on submitting claims and supporting documentation, please reference the **Submitting Claims Quick Reference Guide** at: [FSAFEDS-Submitting-Claims-Quick-Reference-Guide.pdf](#).

For more information regarding your FSA, account balances, billing, and supporting documentation requirements, please visit: <https://www.fsafeds.com>. You may speak to an FSAFEDS Benefits Counselor by phone at 877-FSAFEDS (877-372-3337).

For questions concerning this notice, contact:  
**NASA Shared Services Center (NSSC) Customer Contact Center**  
877-677-2123 (877-NSSC123) or [nssc-contactcenter@mail.nasa.gov](mailto:nssc-contactcenter@mail.nasa.gov)