

Flexible Benefits Plan Quick Facts

PayFlex will begin handling all medical, dependent care and limited purpose FSA accounts with service dates of January 1, 2017, and later.

Benefits Administration will handle parking and transportation claims with dates of service January 1, 2017, going forward.

State employees who wish to enroll in a medical or dependent care FSA must re-enroll for 2017 if they want to continue to participate. Parking and Transportation FSAs do not require re-enrollment (except for ASD eligible employees).

If you enroll in a medical or limited purpose FSA, you will receive a debit card from PayFlex in December to use for paying for medical and limited purpose FSA purchases at pharmacies, physician offices and other medical facilities such as dental and vision providers.

The debit card is a smart card in that it will only allow payment from your FSA funds for those items that are FSA reimbursable.

If you enroll in the HealthSavings CDHP with a health savings account (HSA), you are eligible to contribute funds to a limited purpose FSA. Both accounts will be loaded onto your single PayFlex debit card in separate "purses." The "smart" PayFlex card will pull appropriate dental or vision charges from your limited purpose FSA before dipping into your HSA funds, allowing those funds to continue accumulating.

The PayFlex debit card will not work at childcare facilities. On dependent care claims, you will need to file a paper claim with PayFlex for reimbursement. You can set up on PayFlex's state-specific website your bank account information so that you can issue a payment directly from PayFlex to your dependent care provider. You can also make a payment via your own personal check, keep your provider's receipt for tax purposes and then deduct the funds from your dependent care FSA to go back into your bank account. Please keep copies of all receipts for IRS tax purposes or in case of audit.

After you receive your debit card, you can go to PayFlex's state-specific website and read more about the flexible benefits and print brochures about either the FSA or HSA benefits PayFlex manages.

It is important to remember during the annual enrollment period that if you have a balance in your FSA on December 31 of that year and you choose to enroll in a CDHP for the following year, you will not be able to open a health savings account (HSA) until April 1 of the following year. Any claims against your HSA must be for April 1 or later, as well.

During the grace period of January 1, 2017, to March 15, 2017, if you incur a healthcare expense that you wish to apply to your FSA you may either:

Submit this claim to Treasury to clear your existing 2016 pledge balance (if any still exists) or

Use your PayFlex debit card or submit a paper medical FSA claim to PayFlex and count this expense against your 2017 FSA pledged amount.

You may not do both, and attempting to "double-dip" like this puts you at risk of an IRS audit

If you currently have a health savings account (HSA) with a debit card and plan to enroll in a limited purpose FSA, you will use the same debit card in 2017 for both your HSA and limited purpose FSA eligible purchases. The debit card will recognize merchant codes from dental and vision providers and will utilize any limited purpose FSA funds before tapping into your HSA funds.