

Flexible Spending Accounts

You may choose to participate in one or both of the flexible spending accounts:

- Medical Reimbursement Account*
- Dependent Care Account

With the **Medical Reimbursement Account** you can save 15%-40% on your out-of-pocket expenses that are not covered by the medical, dental or vision plans. Simply calculate your estimated expenses for the year and have that amount set aside in a Medical Reimbursement Account. The money is taken from your check before taxes, so you don't pay most federal, state, Social Security and Medicare taxes on that amount. The Full amount of your election is available on the first day of the plan year.

Eligible medical expenses include:

- Ambulance; crutches; eye glasses; dental expenses
- Copays and deductibles
- Nursing Care; Physical Therapy
- Orthodontics
- Birth Control
- Smoking cessation programs, nicotine patches/gum
- Diabetic Supplies

For a reference of FSA eligible expenses go to www.basiconline.com.

Medical Reimbursement Account Limits:

- You may contribute a maximum of \$2,700 per eligible employee per year. If you and your spouse are employed by the County, each can contribute up to \$2,700.

With the Medical Reimbursement Account, you can carryover up to \$500 (\$10 minimum) of your unused funds at the end of the plan year. The remaining funds will automatically carryover into the new plan year on October 15th as long as you remain an active eligible employee.

The **Dependent Care Account** allows you to set aside tax-free dollars for eligible day care expenses for your dependents. A Dependent Care Account is a great way to defer child care costs. Someone in a 15% tax bracket with the maximum \$5,000 election would save \$750 in one year using BASIC Flex. The Dependent Care Account is a pay-as-you-go account. You may only be reimbursed up to the amount you have contributed to the account.

Dependent Eligibility:

- You and/or your spouse must be employed or actively seeking employment or attending school full time.
- Dependent care expenses paid during a sick leave, holiday or vacation are not eligible.
- Child must be a dependent under 13 years of age and be in your custodial care more than 50% of the calendar year. If your child turns 13 during the plan year, expenses are no longer eligible for reimbursement.
- A spouse or dependent that is incapable of self-care and regularly spends at least eight hours per day in your home (i.e. an invalid parent).

Service Requirements:

- Provider cannot be a minor child or dependent for income tax purposes (i.e. an older child).
- Service provider must claim payments as income and comply with state regulations.
- Services must be for the physical care of the child, not for education, meals, etc.
- Overnight camps are not eligible.
- Expenses paid for Pre-K are eligible but kindergarten is not.

Dependent Care Account Limits:

- A single parent or married couple filing jointly can elect up to \$5,000 per family, while a married person filing separately can elect up to \$2,500 each year.



LEARN MORE

You can find more information at:

www.basiconline.com

Tax Savings Calculator

www.basiconline.com/fsasavingscalculator

Use our calculator to estimate the size of your tax savings, annually or per pay check, when you participate in BASIC Flex.

This is an example of how you can save tax dollars with an FSA:

	With FSA	Without FSA
Annual Income	\$40,000	\$40,000
Estimated health care expense	\$2,500	\$0
Taxable Income	\$37,500	\$40,000
Estimated Federal Tax	\$5,625	\$6,000
Estimated Social Security Tax	\$2,869	\$3,060
Healthcare expenses	\$0.00	\$2,500
Net pay	\$29,006	\$28,440
Savings with FSA	\$506	N/A

You should check with a tax advisor to see what your savings might be if you participate in the Flexible Spending Account program.

Note that you are unable use certain tax credits if you use the FSA accounts.



If you sign up for the Flexible Spending Account, you will be issued a debit card. The debit card may be used to pay for eligible expenses. If you forget to use your debit card or if a vendor does not accept debit cards as a method of payment, you may pay for your expense out of pocket and submit a claim for reimbursement. BASIC will reimburse you via check or direct deposit (if you have signed up for direct deposit).

When in doubt ask BASIC.

IRS regulations govern the eligibility of items and claims. As a Flex Administrator, BASIC helps ensure that you and your employer stay within these regulations. If you have a question regarding a specific item or treatment, call a BASIC Customer Service Representative at 800-444-1922 ext 1.

Examples of **ineligible health care expenses** include cosmetic surgery, marriage counseling, and prepayment of services.

Examples of **ineligible dependent care expenses** include transportation expenses, convalescent or nursing home expenses and overnight camp expenses.



Parking and Transit Plan

You can also save money on your parking and transit costs (up to 40%) by joining the Parking and Transit Plan administered by BASIC. You can pay for your work-related parking and mass transit costs with tax-free dollars.

There is no cost to you to participate in this plan.

Plan Limits:

- **Parking:** \$260 per month
- **Transit:** \$260 per month
(Transit fare can only be paid using the debit card)

Parking & Transit elections are on a month to month basis. You may change your monthly election based on your needs.

Any unused funds continue to roll over month-to-month as long as you are an active employee. As such, you should monitor your balance closely. If you have accumulated a balance due to reduced cost for parking and transit you will need to adjust your contribution amounts to spend down this balance. Balances remaining after termination of coverage or employment are forfeited.

Eligible Expenses

Parking - Expenses for parking on or near the premises of Bernalillo County.

To receive reimbursement for parking, claims must be submitted to BASIC within six months of incurring the expense. Reimbursements will be made via direct deposit.

Transit - Transit expenses can only be paid using the Debit Card. **Manual claim reimbursement via check or direct deposit is no longer permitted.** Before enrolling in the Transit plan, make certain that your Transit Terminal is an approved Transit Authority by the IRS. The approved list of Transit Authorities is available at www.basiconline.com.

Parking and transit expenses resulting from travel to or from meetings, visits to other County departments or other locations are ineligible for reimbursement.

You must enroll each year if you want to continue participating in the Parking & Transit program.

		For Questions: 800.444.1922 ext 1
County Sponsored Benefit		
FISCAL YEAR 2020 <ul style="list-style-type: none">• County pays administrative fees<ul style="list-style-type: none">- No employee cost to join• Medical Reimbursement Limit<ul style="list-style-type: none">- Up to \$2,700• Dependent Care Limit<ul style="list-style-type: none">- Up to \$5,000	ADVANTAGES <ul style="list-style-type: none">• Save Payroll Taxes<ul style="list-style-type: none">- 15%-40% savings on:<ul style="list-style-type: none">◆ Out-of-pocket medical, dental and vision◆ Day care expenses	
24/7 ACCESS TO ACCOUNT BALANCES <ul style="list-style-type: none">• Online Access• Free Mobile App	SPEEDY TURNAROUND ON CLAIMS <ul style="list-style-type: none">• Direct Deposit Available• Claims processed Daily	

You must enroll each year if you want to continue participating in the Flexible Spending Account program.