



Flexible Spending Account Overview

McGriff Flexible Benefit Solutions



Pre Tax account offerings



FLEXIBLE SPENDING
ACCOUNT



DEPENDENT CARE
ACCOUNT



LIMITED PURPOSE
HEALTH FLEXIBLE
SPENDING ACCOUNT



HEALTH SAVINGS
ACCOUNT

What is a Flexible Spending Account (FSA)?

A tax advantaged account where contributions are made pre tax through payroll and reimbursed for out of pocket medical expenses or Dependent Day care expenses.

Flexible spending Account – Out of Pocket Medical Expenses, Dental, and Vision

Dependent Care FSA – Daycare, After School Care, Summer Day Camp; Not for dependent medical expenses.

Health FSA Plan Overview



Allows employees to set money aside, before taxes, for healthcare expenses. (Save up to 30% on eligible healthcare expenses!*)



All funds available day 1 for participants to use on eligible expenses not covered by insurance or other medical reimbursement plans



Optimize FSA funds by planning ahead for known expenses – IRS sets benefit maximum limits each year. 2026 - \$3,400



COBRA Eligible – If the participant has a positive account balance at termination, the participant can continue coverage under COBRA for the remainder of the plan year



Expenses can only be incurred by the employee, the employee's spouse, the employee's child up to age 26 (within the tax year) and a tax dependent.



Health FSA Eligible Expenses

What can an FSA be used for?

There are thousands of eligible items including:

- Copays and coinsurance
- Doctor visits and surgeries
- Prescription drugs
- Over-the-counter medications (first-aid, allergy, asthma, cold/flu, heartburn, pain medication, etc.)
- Menstrual products
- COVID Related Personal Protective Equipment (PPE)
- Birthing and Lamaze classes
- Dental and orthodontia
- Frames, contacts, prescription sunglasses, etc.
- Massage therapy, vitamins and supplements
- *Some items listed may need a letter of medical necessity

NMSU FSA Contribution Limit

- 2026 Health FSA Plan Year Max: **\$3,400**
- Contribute and spend funds tax-free
- Pay for eligible out-of-pocket healthcare expenses

Claims that cannot be auto substantiated are subject to additional documentation such as an explanation of benefits or Itemized statement

SAMPLE DENTIST

123 Main Street
Salt Lake City, UT 84044
(801) xxx-xxxx

Responsible party:

John Doe - 123 Any Street, Millcreek, UT 84106

Date	Patient	Service Provided	Provider	Reference	Amount
1/1/23	John Doe	Panoramic film	Dr. Smith	John_d	\$ 80.00
1/1/23	John Doe	Extraction K	Dr. Smith	John_d	\$ 75.00
2/1/23	John Doe	Cleaning	Dr. Smith	John_d	\$ 25.00
2/1/23	John Doe	Follow-up	Dr. Smith	John_d	\$ 20.00
2/5/23	John Doe	Payment posted	Dr. Smith	John_d	\$ [200.00]
Balance Due					\$ 0.00

PeopleKeep

Use-or-lose

Don't forget to spend your FSA dollars. You will forfeit any money over \$680 left in your account at the end of the plan year.

FSA Carryover and Claim Filing

- Your plan year is: July 1, 2026 to June 30, 2027.
- You have a carryover, which means you can roll over up to \$680 into the next plan year.
- Last day to file a claim: September 30, 2027





Changes to FSA Elections

Experience a Qualifying Life Event (QLE):

- Change in marital status
- Change in the number of dependents
- Change in employment status
- Change in dependent status
- Judgement, decree or order

Change must be consistent with the QLE. Examples:

- Decreasing the FSA contribution because of legal separation or divorce
- Increasing the FSA contribution because of marriage or adding a dependent

What is a Dependent Care FSA?

- Set money aside, before taxes, for dependent care expenses.
- Tax savings
- To be eligible for a dependent care FSA, both you and your spouse (if applicable) must work, be looking for work or be full-time students.

What does it cover?

The list includes, but is not limited to:
Child-care center, babysitter, nanny (birth through age 12)

Summer day camp

Before- or after-school care

Disabled dependent and/or spouse care

Elder care

Dependent Care FSA Contribution Limit

- Dependent Care FSA maximum election:
- **\$7,500 (Plan year from 7/1/2026 – 6/30/2027)**
- Pay for eligible out-of-pocket dependent care expenses
- Claims runout period ends **9/30/2027**

Use-it-or-lose-it Reminder

Any unspent funds will be forfeited any money left in participant's account at the end of the plan year.

Changes to Dependent Care FSA Elections

To make changes to elections after open enrollment, participants need to experience a qualifying life event.

These events include:

- Change in marital status
- Change in the number of dependents
- Change in employee or spouse's employment status
- Change in daycare providers
- Dependent children turns age 13
- Cost of qualified daycare expenses increases or decreases
- Judgement, decree or order



If you experience a qualifying life event, your employer can help you change your election.

Eligible expenses:

Copays, coinsurance, insurance premiums

Doctor visits and surgeries

Over-the-counter medications (first-aid, allergy, asthma, cold/flu, heartburn, etc.)

Prescription drugs

Birthing and Lamaze classes

Dental and orthodontia

Vision expenses, such as frames, contacts, prescription sunglasses, etc.

What is a Health Savings Account?



It's yours - individually owned portable savings account



Set aside pre-tax funds to pay for healthcare expenses



Contribute, use and invest tax-free. Triple tax savings



Use funds for your spouse and eligible tax dependents

Eligibility Requirements

- Must be covered under a HDHP Plan (High Deductible Health Plan) and have no other non-HDHP medical coverage.
- Cannot be claimed as a dependent on anyone else's federal tax return.
- If married, your spouse cannot be enrolled in a health/general purpose FSA (Flexible Spending Account).
- If 65 or over, cannot be enrolled in Medicare or receiving Social Security benefits.



HSA Contribution Limit

HSA Maximum Contribution Limits	Employee Contribution Limit
Employee Only covered on HDHP Medical Plan	\$4,400
Employee + 1 or more covered on HDHP Medical Plan	\$8,750
Catch-up Contributions (age 55 by the end of the year)	+ \$1,000

Great opportunity as a long-term savings tool with your HSA funds rolling over year to year.

You can increase or decrease your contribution at any time. No qualifying life event needed!

Investing with an HSA

- Maximize the triple tax savings with investing
- Once you turn 65 HSA funds can be used for nonmedical expenses penalty free
- Distributions for nonmedical would be taxed at ordinary income
- Start investing once you have \$2,000 in cash balance



Start Investing in the Consumer Portal

- Select Manage Investments
- Chose mutual funds yourself or use the strategy builder to allocate investments based off your risk profile
- Set auto transfer once cash balance exceeds threshold balance



WELCOME TO HSA PLUS!

This program will help you better understand your HSA investment account and also provides powerful tools that can help you determine how much to save and where to direct your investments within your HSA investment account.



STRATEGY BUILDER

Develop a personalized strategy. Add details about your health care expenses or a spouse/partner HSA investment account. Develop and implement a personalized HSA savings and investment action plan.



EDUCATION

Bring yourself up to speed on basic HSA concepts. Learn more about HSA rules, eligibility requirements and how you can use your HSA for qualified medical expenses.

I Want To:

Reimburse Myself
Send Payment
Contribute to HSA
Manage Investments
Manage My Expenses


Investments / HSA Summary

Total Available Balance \$14,000.00*	Brokerage Account Balance ⓘ \$24,000.00 <small>* Does not include brokerage balance Current as of 07/01/2020</small>	YTD Earnings \$585.03	YTD Performance 4.5% View details
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Investment Balance ⓘ [View details](#)

\$13,000.00 Current as of 07/01/2020

Current
Projected



Apr 2019
\$7,890

Change Investments
[View all available funds](#)

Cash Balance [View details](#)

\$1,000.00

Investment Auto-Transfer ⓘ ON [Edit](#)

Threshold: \$1,000.00

→ Contribute
Add cash to your HSA

← Distribute
Withdraw HSA funds

One-time Trades

Buy Investments

Sell Investments

HSA Investment Line up

Fund list reviewed each year by Investment advisory firm to ensure the best performing funds and lowest fees (similar to 401K)

Investment Name	Ticket	Asset Category
Fidelity Government Money Market Fund	SPAXX	Money Market – Taxable
Lord Abbett Short Duration Income R6	LDLVX	Short-Term Bond
Vanguard Total Bond Market Index Adm	VBTLX	Intermediate Core Bond
Pioneer Bond K	PBFXK	Intermediate Core Plus Bond
PIMCO Income Instl	PIMIX	Multisector Bond
MFS Value R6	MEIKX	Large Value
Columbia Contrarian Core Inst3	COFYX	Large Blend
Vanguard 500 Index Adm	VFIAX	Large Blend
Nuveen Large-Cap Growth Instl	TILGX	Large Growth
Victory Sycamore Established Value R6	VEVRX	Mid-Cap Value
Vanguard Mid-Cap Index Adm	VIMAX	Mid-Cap Blend
JPMorgan Mid-Cap Growth R6	JMGMX	Mid-Cap Growth
Undiscovered Managers Behavioral Value R6	UBVFX	Small Value
Vanguard Small-Cap Index Adm	VSMAX	Small Blend
Fuller & Thaler Behavioral Small Cap R6	FTHFX	Small Blend
Hood River Small-Cap Growth Retirement	HRSIX	Small Growth
Vanguard International Value Inv	VTRIX	Foreign Large Value
Vanguard Toal Intl Stock Index Adm	VTIAX	Foreign Large Blend
Vanguard Internaional Growth Adm	VWILX	Foreign Large Growth
Vanguard Tax-Managed Balanced Adm	VTMFX	Moderately Conservative Allocation
American Funds American Balanced R6	RLBGX	Moderate Allocation
Health Savings Brokerage Account		

Limited Purpose Health FSA

- Election amount is available day 1
- Only for dental and vision expenses
- Can be supplemented with the health savings account
- Has a rollover of \$680
- Annual election max of \$3,400
- Subject to substantiation
- QLE needed to change election amount

Leveraging Your Account

Online account:

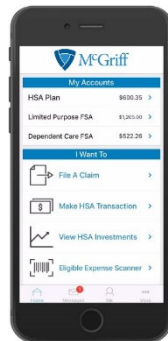


www.mcgriff.com/flex

Payment debit card



Mobile app



Use the payment debit card to pay for FSA eligible expenses or pay out of pocket and request a distribution from your account through your online account or mobile app.

Sign up for text alerts to stay up to date on your account.



Never settle for less.

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