

Enroll

Yale | HealthEquity®

BENEFITS EXPLAINED

October 18, 2023

Healthcare Flexible Spending Account (FSA)

Dependent Care Flexible Spending Account
(DCFSA)

Surprising health savings

A healthcare Flexible Spending Account lets you use tax-free money to pay for eligible medical expenses helping you realize significant savings on healthcare costs

FSA's are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize FSA funds as tax deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules.



Get more flexibility with your FSA

- ✓ Access annual contribution amount on day one
- ✓ Fast, hassle-free payments and reimbursement
- ✓ Pay for your spouse and eligible dependents too



Tax-free contributions

\$50



earned income



FSA

Not taxed

Keep all your money

\$50

Spending power

Checking Account

Taxed

\$10 to Uncle Sam

\$40

Spending power

Save \$600+

Members who contribute the max to their FSA can save \$600+ each year* on qualified medical expenses.

$$\begin{array}{r} \$3,050 \\ \times \quad 20\% \\ \hline \mathbf{\$610} \end{array}$$

*The example used is for illustrative purposes only; actual savings may vary. The figure is based on average tax rate of 20%, including state, federal and FICA taxes. Savings based on contributing the maximum family amount of \$3,050.



Tax-free spending on eligible expenses



Medical care

- Doctor visits and copays
- Hospital services
- Telehealth



Vision

- Eye exams
- Prescription glasses/contacts
- LASIK surgery



Dental

- Teeth cleaning
- Dental reconstruction
- Orthodontia



Personal health

- Over-the-counter pain relievers
- Period care products
- Crutches



Alternative care

- Chiropractic care
- Acupuncture
- Massage*



Mental health

- Therapy sessions*
- Prescriptions
- Treatment for substance abuse disorder

*May require letter of medical necessity



Which FSA benefits make you likely to enroll?

(Select all that apply)

- A. Contributions are tax-free
- B. Your entire contribution amount is available day one of plan year
- C. FSAs let you pay for your spouse and eligible dependents
- D. An FSA lets you pay for thousands of eligible products and services



**Give yourself flexibility
and amazing tax savings!**

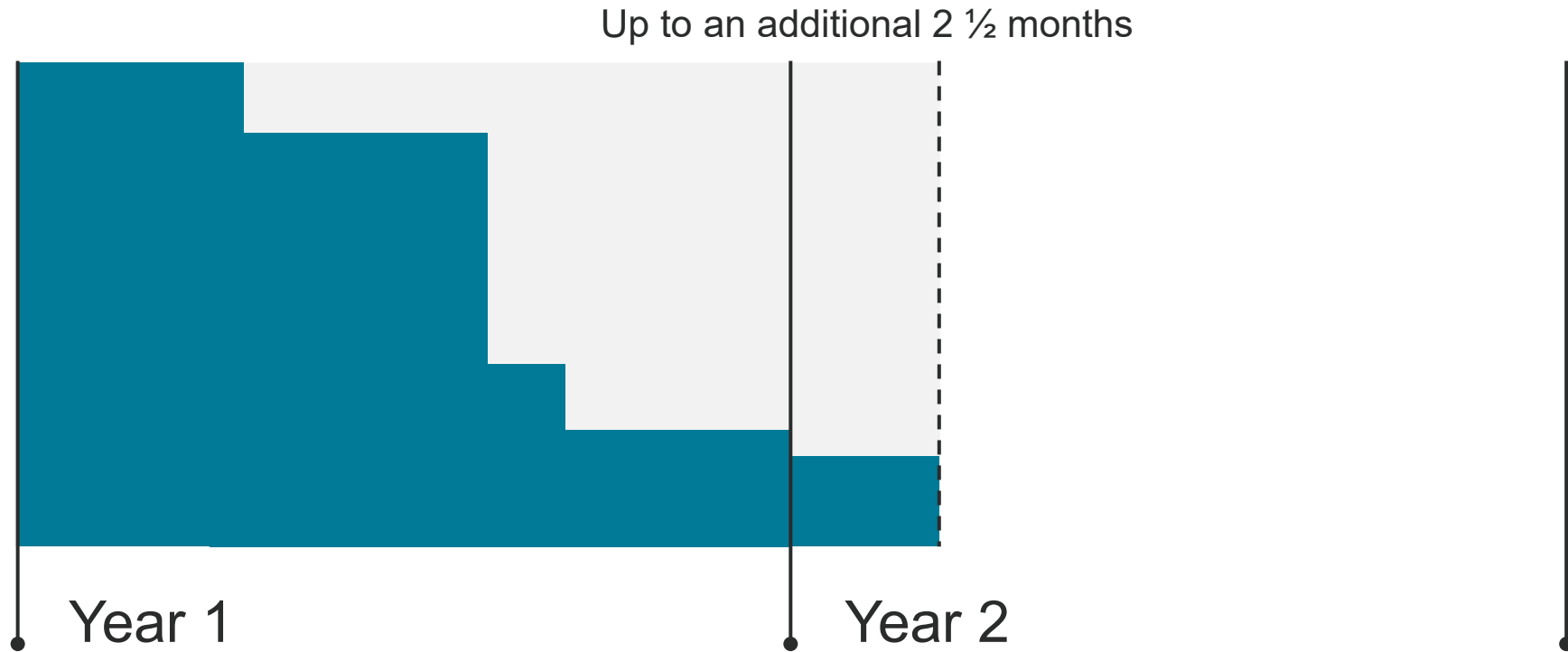


The more you contribute the more you save

Contribution limit	Tax savings*
\$3,050	\$610

*Estimated savings are based on an assumed combined federal and state income tax bracket of 20%. Actual savings will depend on your taxable income and tax status.

Grace period





Smart spending starts with thoughtful planning



Meet Deion & Kanesha

Contribution Limit \$3,050

They work at different employers that both offer FSAs and decide to contribute to each.

Deion & Kanesha
contribute

\$5,600

Their annual
tax savings*

\$1,120

*Estimated savings are based on an assumed combined federal and state income tax bracket of 20%. Actual savings will depend on your taxable income and tax status.



Deion & Kanasha's FSA savings

Near the end of the year, they're curious to how much remain.

Without an FSA

- + \$5,600 from paycheck
- \$1,120 to taxes
- \$5,260 in expenses

\$780

still owed on
healthcare expenses

With an FSA

- + \$5,600 from paycheck
- \$0 to taxes
- \$5,260 in expenses

\$340

leftover for prescription
sunglasses

Assumes they pay 20% of their income in federal, state and social security taxes. Actual tax savings will depend on your FSA contributions, applicable State tax rates and your personal tax situation. Please consult your tax adviser for details.





Pro-tip:

Take full advantage
of your FSA by
spending it all



How can you find out if an expense or service is eligible to be purchased with your FSA funds?

(Respond in poll)



There are a variety of ways:

1

Search online

- HealthEquity.com/fsa-qme
- FSASStore.com

2

Mobile app

Download the HealthEquity mobile app feature and scan product barcodes in the store to find out if they are eligible

What's needed for reimbursement

Documentation that includes the following should be provided:

- ✓ Name(s) of provider(s)
- ✓ Name(s) of patient
- ✓ Date(s) of service
- ✓ Description(s) of services
- ✓ Cost(s) of service



DCFSA

Dependent Care Flexible Spending Account

Turn caregiving into tax savings

A DCFSA lets you use tax-free money to pay for eligible dependent care expenses

DCFSA's are never taxed at a federal income tax level when used appropriately for eligible dependent care expenses. Also, most states recognize DCFSA funds as tax deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules



Tax-free contributions

\$50



earned income



DCFSA

Not taxed

Keep all your money

\$50

Spending power

Checking Account

Taxed

\$10 to Uncle Sam

\$40

Spending power

Save \$1,000

Members who contribute the max to their DCFSA can save \$1000 each year* on eligible expenses.

$$\begin{array}{r} \$5,000 \\ \times \quad 20\% \\ \hline \$1,000 \end{array}$$

*The example used is for illustrative purposes only; actual savings may vary. The figure is based on average tax rate of 20%, including state, federal and FICA taxes. Savings based on contributing the maximum family amount of \$5,000.





Determine eligible dependents



Save on DCFSA eligible expenses

[HealthEquity.com/
dcfsa-qme](https://HealthEquity.com/dcfsa-qme)



Childcare for children under age 13

- Nanny and au pair services
- Summer day camp
- Preschool
- Babysitting



Eldercare

- Elder day care
- Work-related custodial elder care



Care-associated costs

- Transportation costs to and from eligible care
- Late pick-up fees

The more you contribute the more you save

Coverage	Contribution limit	Potential Tax Savings*
Individual	\$2,500	\$500
Family	\$5,000	\$1,000

*Estimated savings are based on an assumed combined federal and state income tax bracket of 20%. Actual savings will depend on your taxable income and tax status.

Qualifying life events

- ✓ Marital status
- ✓ Number of dependents
- ✓ Employment status
- ✓ Change in residence
- ✓ New childcare or eldercare provider

Generally these are qualifying life events. Check your plan to determine what are permissible qualifying life events.





**Use funds
as they accrue**





**Save while taking care
of your loved ones**



Meet Ramesh and Priya

Family Plan

Contribution Limit \$5,000

With another baby on the way, they enroll in a DCFSA to pay for afterschool childcare for their daughter, Mya.

They contribute

\$3,000



Their annual tax savings¹

\$600

¹Estimated savings are based on an assumed combined federal and state income tax bracket of 20%. Actual savings will depend on your taxable income and tax status.



Ramesh and Priya's DCFSA savings

Using their DCFSA allows them to save money on taxes while helping pay for childcare needs.

Without a DCFSA

+ \$3,000 from paycheck

– \$600 to taxes

– \$2,000 for after school care

\$400
leftover

With a DCFSA

+ \$3,000 in DCFSA

– \$0 to taxes

– \$2,000 for after school care

\$1,000
left for summer camp



Meet Scott and Janet

Family Plan

Contribution Limit \$5,000

Janet and Scott have Scott's father living with them and claim him as a dependent. He suffered from a stroke and he needs an in-home caregiver.

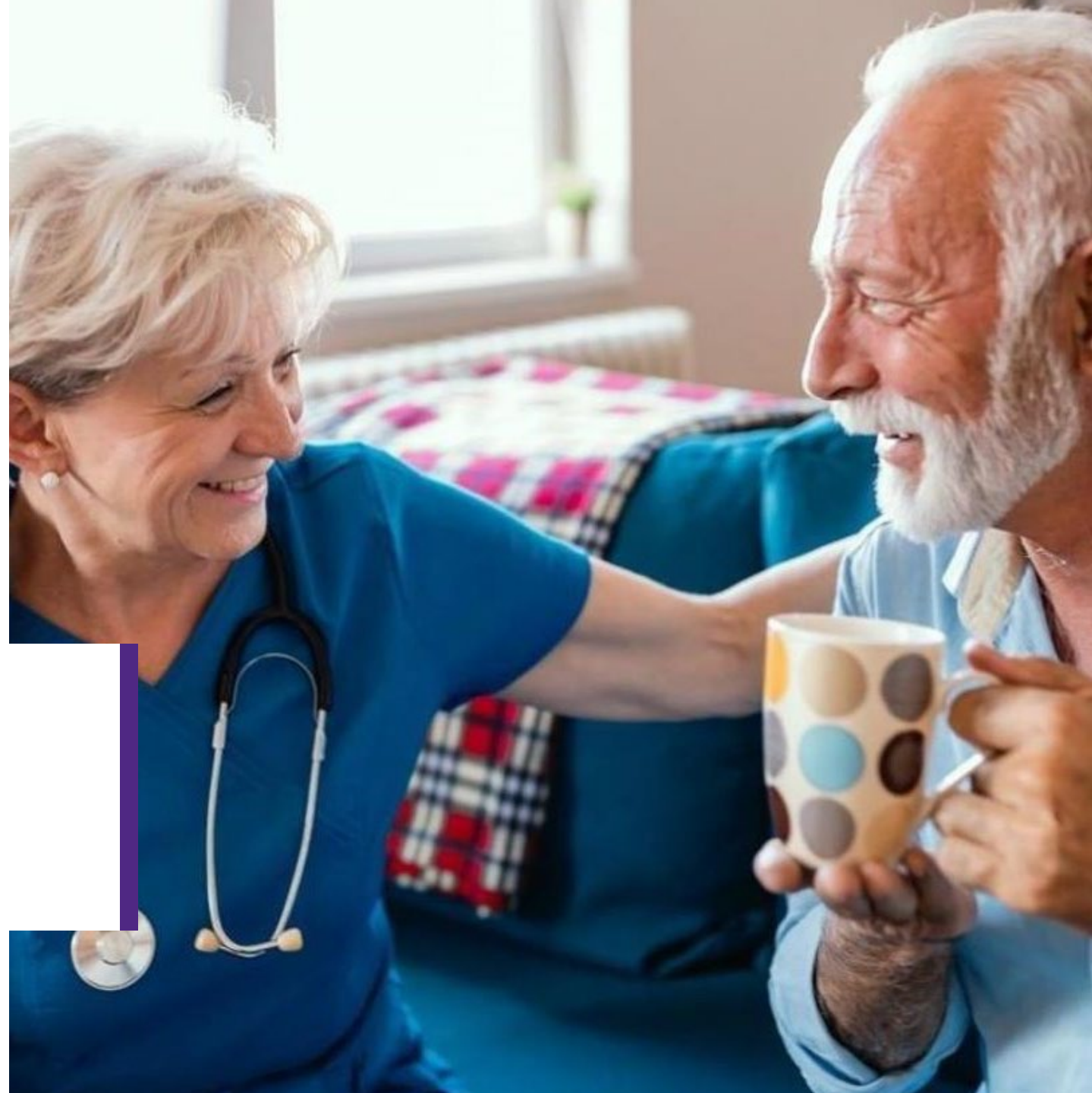
They contribute

\$5,000



Their annual tax savings¹

\$1,000



HealthEquity makes saving easy

- ✓ 24/7 Member Services via call or chat
- ✓ On-the-go access with our mobile app¹
- ✓ Fast, hassle-free payment and reimbursement

¹Accounts must be activated via the HealthEquity website in order to use the mobile app.



Yale

Child Care Subsidy Program

Child Care Subsidy Program Eligibility

- ✓ Participant must be a regular, benefits eligible employee.*
- ✓ Employee is the legal parent or guardian of a child or children ages birth through five years. Eligibility ends on the child's sixth birthday.
- ✓ The child or children are your legal dependent(s) as defined by IRS regulations and for whom you are entitled for a personal tax exemption.
- ✓ Employee eligibility begins on the 91st day of employment at Yale.
- ✓ Participant must be an active employee at the time of receipt submission.
- ✓ If both parents/guardians work at Yale and are eligible for the subsidy, the employee who is in the lower pay range and can benefit more financially from the subsidy, is the parent that should consider applying. Both parents/guardians cannot apply for reimbursement for the same child care costs incurred.



For more information please visit: [Child Care Subsidy Program | It's Your Yale](#)

What's needed for reimbursement

Documentation that includes the following should be provided to Yale:

- ✓ Name of provider
- ✓ Address of provider
- ✓ Tax ID or Social Security number of care provider
- ✓ Cost of care
- ✓ Payments made
- ✓ Date(s) of child care provided
- ✓ Name of child(ren) for which care was provided
- ✓ Employees must also submit the following information:
 - ✓ Employees full name associated with their Yale email address
 - ✓ Name and date of birth of eligible child(ren)
 - ✓ Last four digits of child/children's social security, ITIN, J-2 or F-2 Visa number



Get started today!

1

Sign up

- ✓ Enrollment dates: Nov. 27 – Dec. 08, 2023
- ✓ Choose election amount for the year

2

Contribute

- ✓ Pre-tax through payroll
- ✓ Amount withheld from each paycheck is typically equal

3

Access account

- ✓ Register and login at www.HealthEquity.com/login
- ✓ Submit for reimbursement via the HealthEquity online tool or mobile app¹
- ✓ Remember to save all receipts

We're here for you 24/7
[877.924.3927](tel:877.924.3927) | learn.HealthEquity.com/yale

¹Accounts must be activated via the HealthEquity website in order to use the mobile app.

THANK YOU

Questions?

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