

# Flexible Spending Account

## Open a Flexible Spending Account (FSA) and watch your savings grow.

### Save on everyday expenses.

Open a Flexible Spending Account (FSA) during open enrollment and good things happen. You have money ready for eligible expenses not covered by your insurance.

### How FSAs work.

You can sign up for an FSA during open enrollment. Each pay period, you set aside some of your pay, before taxes, to use for eligible expenses. This is how you save money: \$100 put into your FSA is \$100 to spend on eligible expenses. Without an FSA, you pay taxes, leaving less money to pay for the same eligible expenses.

### Use the WageWorks Health Care Card.

Use your WageWorks® Health Care Card (Card) instead of cash or credit at health care providers and pharmacies for eligible goods, prescriptions and services, such as co-pays. You must provide a valid prescription at the pharmacy counter in order to use your Card for Over-the-Counter (OTC) drug purchases. You will also be able to use your Card for non-drug OTC items and devices, such as bandages and contact lens solution, as long as you shop at merchants that have an industry standard (IIAS) inventory system that can verify the eligibility of items at checkout. An updated list of IIAS merchants is maintained at [www.sigis.com](http://www.sigis.com).

Always remember to save receipts when using the Card. The IRS requires you keep them for your tax records, and you will also need them if we request documentation for verification.

### Using your FSA is easy.

When you elect a health care FSA, your account is funded with the full amount you've chosen at the beginning of the year. As soon as that happens, it's ready to use for eligible expenses. Throughout the year, you "pay your account back" with pre-tax contributions from your paycheck. Use these convenient payment options:

- ▶ **WageWorks® Health Care Card.** Use it instead of cash at health care providers and wherever accepted for health-related services and health expenses.
- ▶ **Pay My Provider.** Send payment directly to your health care provider.
- ▶ **Pay Me Back.** File a claim online, by fax or mail for reimbursement.
- ▶ **On the Go.** Use our mobile application to file a claim from your smartphone.

You can also choose a dependent care FSA to help with the cost of care for eligible children or aging parents while you are at work. A dependent care FSA works a lot like a health care FSA, so funds are available as contributions are deducted from your paycheck.

## Sign up during open enrollment. November 1 - 30, 2011

### Two Easy Ways to Enroll!

1. Online in MI HR Self-Service: [www.michigan.gov/selfserv](http://www.michigan.gov/selfserv)
2. By phone through the MI HR Service Center  
Monday through Friday, 7 a.m. to 6 p.m.  
Lansing Area: (517) 335-0529  
Toll Free: (877) 766-6447  
Michigan Relay Center: 711 for hearing impaired  
Fax: (517) 241-5892

Save on dependent  
care and health  
expenses.

Awesome.

That's exactly what I need.



## Estimate your savings.

How much you save depends on how much you spend on health and dependent care, and on your tax situation. To estimate your expenses and see for yourself how your savings can add up, use the savings calculator at: [wageworks4me.com/som](http://wageworks4me.com/som)

### Health Care FSA

ESTIMATED ELIGIBLE EXPENSES	EXAMPLE	YOUR ESTIMATE
Prescription drugs	\$240	
Doctor visits	\$180	
Dental fillings and crowns	\$200	
Orthodontia (braces)	\$1,800	
Prescription glasses	\$150	
Prescription sunglasses	\$150	
Prescribed over-the-counter products <sup>1</sup>	\$240	
<b>Estimated plan year election</b>	<b>= \$2,960</b>	<b>=</b>
Taxes (40% <sup>2</sup> )	x 0.40	x 0.40
<b>Estimated savings<sup>2</sup></b>	<b>= \$1,184</b>	<b>=</b>

### Dependent Care FSA

ESTIMATED ELIGIBLE EXPENSES	EXAMPLE	YOUR ESTIMATE
Child care / Nursery school / Elder care	\$3,600	
Summer day care	\$1,400	
<b>Estimated plan year election</b>	<b>= \$5,000</b>	<b>=</b>
Taxes (40% <sup>2</sup> )	x 0.40	x 0.40
<b>Estimated savings<sup>2</sup></b>	<b>= \$2,000</b>	<b>=</b>

Notes:

<sup>1</sup> Requires a doctor's prescription as of 1/1/2011.

<sup>2</sup> Tax savings amounts are examples provided for illustrative purposes only. They are based on federal, state, and FICA (Social Security) taxes that you do not have to pay through payroll deductions on amounts used to fund your account. Your actual savings may vary depending on your income tax rate and other factors.

### Questions?

Helpful tips, guides, video tutorials and FAQs are available online at [www.wageworks.com](http://www.wageworks.com). WageWorks Customer Service professionals also are standing by to help you. Just call 1-877-WageWorks (877-924-3967), Monday – Friday, 8 am – 8 pm EST.

## Pay for hundreds of expenses – tax-free!

You can use your FSA to save on hundreds of products and services for you and your family. Eligible expenses are defined by the IRS. Typically, your health care FSA covers:

- ▶ **Prescriptions**
- ▶ **Prescribed over-the-counter<sup>1</sup>** health care products like allergy medicine, antacid, antibiotics, aspirin...
- ▶ **Co-payments** and deductibles
- ▶ **Dental care**, both preventive and restorative
- ▶ **Orthodontia**, child and adult
- ▶ **Vision care**, including eyeglasses, contact lenses, and saline solution
- ▶ **Eye surgery**, including laser vision correction
- ▶ **Physical therapy**, counseling and psychology
- ▶ **Chiropractic care, acupuncture**, and some other alternative treatments

## Pay for dependents, too!

Your dependent care FSA covers these types of expenses for your eligible dependents while you work:

- ▶ **Babysitting** or au pair services
- ▶ **Before- and after-school** programs
- ▶ **Day care and nursery schools**
- ▶ **Pre-school** programs
- ▶ **Elder care** services

For details and hundreds more eligible expenses, visit: [wageworks4me.com/som](http://wageworks4me.com/som)

## Two Easy Ways to Enroll!

1. Online in MI HR Self-Service: [www.michigan.gov/selfserv](http://www.michigan.gov/selfserv)

2. By phone through the MI HR Service Center

Monday through Friday, 7 a.m. to 6 p.m.

Lansing Area: (517) 335-0529

Toll Free: (877) 766-6447

Michigan Relay Center: 711 for hearing impaired

Fax: (517) 241-5892



**FSA Works4Me**

Flexible Spending Account