

Frequently Asked Questions FSA Carryover

- 1. Why are FSA funds allowed to be carried over to the next Plan year?**

The Internal Revenue Service (IRS) released guidelines that allow up to \$500 of remaining Health Care or Limited Health Care FSA funds to be carried over from one Plan year to the next. This is to help minimize associate contributions being forfeited.
- 2. Is there a minimum amount required for carryover?**

No. Any remaining funds will be carried over (up to \$500), even if your balance is \$0.01.
- 3. What is the maximum amount that will be carried over?**

Associates can carryover all unused funds up to \$500.
- 4. What happens if I have over \$500 in my account at the end of the Plan Year?**

All unused funds remaining after \$500 has been carried over will be forfeited. So, for example, if you have \$600 of unused funds remaining in your account after the claim run-out period, \$500 will carryover and you will forfeit the remaining \$100.
- 5. What is the claim-run out period?**

If you have any claims incurred from July 1, 2014 – June 30, 2015, that you have not previously submitted or substantiated, you have until Sept. 30, 2015 to submit or substantiate them; otherwise at that time all leftover funds over \$500 will be forfeited. Any unsubstantiated claims remaining will require you to reimburse the plan for expenses previously paid on your behalf. Sept. 30, 2015, is the last day of the claim run-out period.
- 6. When will the carryover funds be available for use?**

Carryover funds will be available for you to use beginning in mid-November.
- 7. Who is the FSA Program Administrator?**

For the 2014 – 2015 Plan year, Bank of America is the Program Administrator. For the 2015 - 2016 Plan year, Cigna will be the new Program Administrator.
- 8. If I have unused Health Care or Limited Health Care FSA funds, what do I have to do to have the funds carried over?**

You do not have to do anything. Bank of America will assess your current account and will automatically carryover all unused funds up to \$500 into the appropriate account type with Cigna. These funds will be made available for you to use beginning mid-November, and can be used for claims incurred through June 30, 2016.
- 9. What happens if I elect a Live Healthy My Choice Plan medical option with an HSA? Will I still receive my carryover funds?**

Yes, regardless of whether you had a Health Care or Limited Health Care FSA during the 2014 – 2015 Plan year, if you enroll in a My Choice plan medical option, you will receive your carryover funds in a Limited Health Care FSA for the 2015 – 2016 Plan year in mid-November. You can use Limited Health Care FSA funds to pay for qualified dental and vision expenses.
- 10. What happens if I do not elect a Health Care or Limited Health Care FSA for July 1, 2015, but I have carryover funds?**

If you do not make a Health Care or Limited Health Care FSA election for the 2015 – 2016 Plan year, your carryover funds, of up to \$500, from the current 2014 – 2015 Plan year will be made available to you in mid-November.

However, due to changing Program Administrators, associates will not be able to submit any claims using carryover funds until mid-November. Please keep this in mind because you will need to pay out-of-pocket for any expenses incurred, and wait until mid-November or after to submit any claims for reimbursement.

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12. If I do elect a Health Care or Limited Health Care FSA for July 1, 2015, and I also have remaining unused funds, when will the funds be available to use?

As usual, you can use the funds you elected for the 2015 – 2016 Plan year beginning July 1, 2015, via your debit card or you may submit your claims manually. Please note that if you use your debit card, you should keep your receipts as you may need to substantiate your claims with Cigna.

However, your carryover amount cannot be determined until after the claim run-out period, so any carryover funds you have will not be available for use until mid-November. If you happen to exhaust your 2015 – 2016 elected contribution amount prior to when your carryover amount is made available, your debit card will be de-activated until mid-November. After that time, you may submit claims for reimbursement for expenses incurred between when you exhausted your 2015 – 2016 contribution amount and the date your carryover funds are made available.

13. What happens to any unused funds remaining in my Health Care or Limited Health Care FSA after Sept. 30, 2015?

If you do not elect to participate in a Health Care or Limited Health Care FSA for the 2015 – 2016 Plan year, any remaining funds, up to \$500, that are unclaimed after September 30, 2015 will carryover and be made available in your Health Care or Limited Health Care FSA beginning mid-November (for claims incurred from July 1, 2015 – June 30, 2016).

If you do elect a Health Care or Limited Health Care FSA for the 2015 – 2016 Plan year, any remaining funds, up to \$500, that are unclaimed after September 30, 2015, will be carried over and be made available beginning mid-November (for claims incurred from July 1, 2015 – June 30, 2016).

14. What happens if I change my election to a Limited Health Care FSA instead of Health Care FSA (or vice versa) for July 1, 2015?

If you change your election from a Health Care FSA to a Limited Health Care FSA (or vice versa) for the 2015 – 2016 Plan year, your current (2014 – 2015 Plan year) carryover funds, of up to \$500, will be available in your Limited Health Care FSA in mid-November for your use.

However, due to changing Program Administrators, associates will not be able to submit any claims using carryover funds until mid-November. Please keep this in mind because you will need to pay out-of-pocket for any expenses incurred, and wait until mid-November or after to submit any claims for reimbursement.

15. What happens to my carryover funds if I leave the Company?

If you leave the Company and have underspent your current Plan year election, you may elect COBRA, and you will still have access to your carryover funds. If you did not make an election for the current Plan year COBRA will not be available and you will forfeit any carryover funds.

16. Can I access my carryover via my debit card?

Yes. However, your carryover will not be applied to your account for use with your debit card until mid-November.

17. What are the maximum contribution limits that I can elect for the Health Care and the Limited Health Care FSA?

Both the Health Care and the Limited Health Care FSA have a \$2,550 contribution limit for the 2015 – 2016 Plan year.

18. Will the carryover amount affect the maximum amount I can elect to contribute to a Flexible Spending Account for the 2015 – 2016 Plan year?

No. Any funds carried over from the prior Plan year do not count against the \$2550 limit. So, you may have up to a total of \$3,050 available for the 2015 – 2016 Plan year.

19. When is my deadline to submit or substantiate Health Care and Limited Health Care FSA claims incurred during the current July 1, 2014 – June 30, 2015 plan year?

You have until Sept. 30, 2015 (the end of the claim run-out period) to submit and substantiate claims you have incurred from July 1, 2014 – June 30, 2015.