

“Use It or Lose It” Rule Modified!

The health care flexible spending account (FSA) plan now includes a provision that will allow participants to **carryover up to \$500** of unused contributions into the following plan year!

That’s right! If you have unused money left in your health care FSA, you can now apply up to \$500 of the leftover balance to the following plan year account.

The benefit to you is:

- You have much less risk of losing unused funds at plan year end.
- Estimating your out-of-pocket expenses will be less worrisome knowing that you can carryover up to \$500 of any unused balance.
- There is reduced pressure to use up remaining balances. You can avoid the last minute rush to spend at year end.
- Use the money when you want to for needed health care items.

Some things to remember -

The carryover will not reduce your new plan year election!

- The carryover of up to \$500 is *in addition* to your employer plan limit. For example, if your employer plan limit is \$2,500, you can carry over up to \$500 of unused funds for a total of \$3,000.

The carryover balance will be determined at the end of the plan’s run-out period!

- The run-out period remains unchanged.
- The run-out is the period of time during which you can submit prior year claims. Check your employer plan for the run-out period.
- The leftover amount will be determined at the end of the plan’s run-out period and added to the following plan year balance.

If you have never participated in a health care FSA, now is the time!

- This is a great opportunity to sign up for at least \$500. You can avoid losing any unused funds with the \$500 carryover provision.
- Remember, you can have valuable tax savings of 25% or more by paying for regular, routine expenses with pretax money.
- Visit www.asiflex.com to learn about thousands of eligible health care expenses.

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