



Flexible Spending Accounts

Did you know you can set aside pretax dollars to pay for health and dependent care expenses?

Metro sponsors a flexible spending account program which allows you to have a portion of your salary set aside before tax and put in either of these accounts:

- Healthcare.
- Dependent Care Flexible Spending Account.
- Parking

How do Flexible Spending Accounts work?

Healthcare Flexible Spending Accounts lets you to set aside pretax dollars to cover the cost of a wide variety of medical expenses.

Dependent Care Flexible Spending Account lets you use your pretax dollars to pay for eligible expenses related to caring for your child, disabled spouse, elderly parent or other dependent who is physically or mentally incapable of self-care, so you (or your spouse) can work or attend school full time.

Your dependent care expenses cannot be more than \$5,000 during a calendar year. If you are married but filing taxes separately, the limit is \$2,500. This amount may be less if you or your spouse's earned income is less than \$5,000.

Parking Flexible Spending Accounts lets you to set aside pretax dollars to cover work-related parking costs. This account does not cover dependent costs for their transportation costs or any parking costs already deducted pre-tax from your paycheck.

FSA eligible expenses

Healthcare

Includes acupuncture, reading glasses, prescription glasses, contacts, dental expenses such as orthodontics, crowns, deductibles, disability expenses including seeing eye dogs, and wheelchairs. A complete list of eligible expenses and exceptions is available through the current plan provider.

Dependent care

Dependent care expenses must be work or school-related and for children 13 and under or for disabled parents or spouse. Funds can be used for daycare services, nannies, after school programs or summer camps:

- To allow you or your spouse to work.
- To allow your spouse to look for work.
- To allow you or your spouse to attend school full time.
- If you or your spouse is physically unable to care for your children.

Medical or dental expenses are not eligible for Dependent Care FSA reimbursement.

Parking

- Parking expenses incurred at work and locations where you park to commute to work by mass transit.
- Vendor parking lots and garages.
- Funds roll over from year to year, but balances will be forfeited when you leave employment with Metro.

When can you start or make changes to an Flexible Spending Account?

During open enrollment you can choose to set aside:

- Up to \$3,300 of your salary into a Health FSA; and/or
- Up to \$5,000 to a Dependent Care FSA (\$5,000 per household or \$2,500 if you are married and file separate income tax return).
- Up to \$325 per month to a Parking FSA.

You generally cannot change your Health Flexible Spending Account elections during the plan year unless you request a change within 30 days of a qualified dependent or employment status change.

Learn more

For more information about how the flexible spending accounts work and details on usage restrictions and eligibility requirements visit Allegiance at askallegiance.com or by phone at 877-424-3570

Use it or lose it

The IRS allows participants to carryover some unused health FSA funds into the following plan year. Any unused funds over those amounts that remain in your flexible spending account at the end of the plan year go to your employer. For 2024, up to \$660 in unused funds can carry over to 2025.

Make sure to monitor your FSA account balances to ensure they are used up before the end of each plan year. Schedule medical or dental care visits, refill prescriptions, purchase eligible over-the-counter supplies, etc.

Manage your account and submit claims online at: askallegiance.com

How is a Flexible Spending Account (FSA) different from a Health Savings Account (HSA)?

It can be easy to confuse these two types of savings accounts. Both plans let you use pretax earnings to cover eligible medical expenses. Here's a quick comparison breakout:

Health Savings Account

- Uses pretax dollars.
- Covers eligible health care costs.
- Can only be used with a high deductible account.
- You own the account and keep it when you change jobs.
- Can be invested and used to cover health expenses when you retire.

Flexible Spending Account

- Uses pretax dollars.
- Covers eligible health care costs and dependent care costs.
- Cannot be used if you have an HSA.
- Metro owns the account.

CHECKLIST

Make the most of your benefits

Review medical, dental and vision coverage

What coverage do you need for you and your dependents? Is your current plan still working for you? Review medical and dental plans. See pages 10 to 17.

Explore Employee Assistance Program (EAP)

Metro's EAP is free to you as an employee and your dependents. It provides you support and assistance for a wide range of issues including financial coaching, research for assistance options for home and apartment rentals, child and elder care services and more. All employees are also eligible for free, licensed professional counseling through Metro's EAP. See pages 28 to 30.

Review your retirement and savings plans

Is it time to enroll in 401K or 457 plans or increase your contributions? Are your beneficiaries up to date on all your plans? See pages 40 to 45.

Make sure beneficiaries are current

Make sure your beneficiaries are up-to-date on all plans including 401K, 457, Life Insurance, PERS and HSA.

Consider supplemental insurance coverage

Voluntary, supplemental insurance plans such Accidental injury, Critical Illness or Hospital care can give you another layer of financial protection to help with expenses that may not be covered by your medical plan. See pages 35 to 38.

Enroll or re-enroll in a flexible spending account

You can save money on taxes by enrolling in a spending account. Spending accounts are available for eligible healthcare, dependent care or transportation costs. You will need to enroll each year. See pages 18 to 19.

If you are enrolled in a High deductible health plan make sure to use your Health Savings Account. See pages 12 to 13.