

UT FLEX

A flexible spending account (FSA) is a way to set aside money from your earnings before taxes are withheld to pay certain out-of-pocket health care expenses and qualifying dependent day care expenses.

As you incur health care or dependent day care expenses throughout the plan year, you will be reimbursed with tax-free dollars from your UT FLEX account(s). This reduces the amount you pay in taxes and increases your spendable income.

UT FLEX Benefit Summary

	Health Care Reimbursement Account	Dependent Day Care Reimbursement Account
What can be reimbursed?*	Medically necessary health care expenses, including dental and vision related expenses incurred and paid during your period of coverage. Expenses paid by insurance are not eligible for reimbursement.	For children under age 13 or qualified disabled dependents of any age who are claimed as dependents for federal income tax purposes. Dependent day care expenses that are necessary for you and your spouse (if married) to work or attend school full-time, such as child care services in a home, licensed day care, and adult day care.
How much can I contribute?	\$15 minimum contribution per month. Total contributions cannot exceed \$5,000 per plan year	\$15 minimum per month up to a maximum of \$5,000 per plan year; or up to a maximum of \$2,500 per plan year if married filing separate federal income tax returns
Administrative Fee (Annual fee/pro-rated for mid-year changes)	\$12	\$12
Debit Card Fee (Annual fee/pro-rated for mid-year changes)	\$9	N/A; debit card not available for DCRA
How do I get reimbursed for eligible expenses?	<ul style="list-style-type: none"> • Use express claims at utflex.com • Mail or fax a paper claim • Pay with a UT FLEX debit card 	<ul style="list-style-type: none"> • Use express claims at utflex.com • Mail or fax a paper claim
When Can I Get Reimbursed?	First day of your enrollment in the plan	As soon as your first contribution is deducted from your pay and put into your account
Last Day to Incur Expenses	November 15 after the end of the plan year	August 31 (Last day of the plan year)
Claim Filing Deadline	November 30 after the end of the plan year	November 30 after the end of the plan year
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*A detailed list of eligible and ineligible expenses is available at www.utflex.com.

Here is an example of how you might save:

Combination of Health Care Reimbursement or Dependent Day Care Contributions	Savings
\$600	\$126
\$2,500	\$525
\$5,000	\$1050
\$10,000	\$2100

* For purposes of this illustration, a savings of 21% was used and assumes federal, state, and social security taxes. Actual tax savings depends on several variables, including state and local tax rates and the tax bracket of the participant.

Important Information about UT FLEX

“Use it or lose it.”

To qualify as a tax-exempt plan, the UT FLEX flexible spending accounts must comply with all applicable Internal Revenue Service requirements including forfeiture of unreimbursed funds. In other words, these UT FLEX spending account plans are “use it or lose it” plans. Any amounts you do not use throughout the plan year (and during the grace period for health-related expenses) will be forfeited, so it is very important to plan carefully. Review your prior year’s expenses to estimate your health care and dependent day care expenses for the upcoming plan year. Be conservative and plan only for predictable expenses.

Coordination with Federal Child and Dependent Care Expenses Tax Credit

If you plan to use a combination of the UT FLEX Dependent Day Care Reimbursement Account (DCRA) and the “Credit for Child and Dependent Care Expenses” on your federal income tax return, the amount you deposit in your DCRA will offset dollar-for-dollar the amount of expenses you are eligible to claim as a tax credit on your federal income tax return.

You should carefully review the benefits of the federal income tax credit with the benefits of the UT FLEX DCRA. If you are not sure how this may impact you, consult your personal tax advisor before making your elections.

Plan Carefully

Any amount left in your account after the claims run-out period will be forfeited.

Important: The IRS maximum amounts for contributions to dependent day care accounts are based on a calendar year (January 1 through December 31). Your paycheck contributions are tracked by UT FLEX and your employing institution on a fiscal year (September 1 through August 31) basis. You and, if applicable, your spouse, not UT FLEX or your employing institution, are responsible for making sure that you do not exceed the IRS limits during each calendar year.