

# Save on expenses and income taxes

Empower  
Limited-Use FSA Plan



Healthcare costs can be a big part of your expenses. Even with health insurance and an HSA, you may have dental and vision expenses that aren't covered. That's where HealthPartners® Empower<sup>SM</sup> Limited-Use Flexible Spending Account (FSA) comes in.

## What is an FSA?

An FSA is an account you create with your employer to set aside money from each paycheck before taxes are taken out. This is called your election amount. A “limited-use” FSA works with a Health Savings Account (HSA). Under IRS regulations, individuals who contribute to an HSA may have an FSA if the FSA reimburses dental, vision and preventive services only.

When you have an eligible vision, dental or preventive care expense, you are reimbursed from your FSA (up to your yearly election amount). You simply send a completed FSA claim form to HealthPartners for reimbursement.

## Reduce your taxes, save money!

Why should you have a limited-use FSA? Because you can save on taxes. If you are already saving money on taxes by contributing to an HSA, you can save even more by setting aside money in a limited-use FSA for vision, dental and preventive care services.

This chart shows how much you could save on taxes with the Empower Limited-Use FSA.

Example	With the FSA	Without the FSA
Household income	\$50,000	\$50,000
FSA contribution	\$4,000	\$0
Taxable income	\$46,000	\$50,000
Taxes (assumes 28% rate)	\$12,880	\$14,000
Medical expenses paid for after taxes	\$0	\$4,000
Take-home pay	\$33,120	\$32,000
Tax savings	\$1,120	\$0

*This is only an example. Actual tax savings will vary.*



## Get the care you need

Your Limited-Use FSA covers many dental and vision expenses:

- Teeth cleanings
- Crowns
- Eyeglasses
- Laser eye surgery
- Fillings
- Braces
- Contacts

For a complete list of eligible expenses, FSA members can log on to [healthpartners.com](http://healthpartners.com).

## How your FSA works

When you have an eligible expense, download a claim form from [healthpartners.com](http://healthpartners.com). You may also receive claim forms by mail by calling Member Services at 952-883-7000 or 1-866-443-9352.

Complete the claim form. Send it to HealthPartners by mail or by fax for processing. You will be reimbursed for any amount you paid up to your election amount. A check will be sent to you by mail or you can choose direct deposit.

Direct deposit makes using your limited-use FSA even easier, because the money you get back goes directly into your checking or savings account. There are no checks to lose and no trips to the bank to make a deposit. To enroll in direct deposit, complete the direct deposit form online at [healthpartners.com](http://healthpartners.com).

## Key FSA details

**Understand your options** — depending on what your employer offers, you may be able to participate in a limited-use FSA, and/or a dependent care FSA.\*

**Know your maximum election** — your employer sets your minimum and maximum election amounts. Check with your employer for details.

**Carefully estimate your FSA election** — check your vision and dental costs from last year to estimate how much you want to put into your limited-use FSA. You can estimate some costs with HealthPartners cost calculators on [healthpartners.com](http://healthpartners.com). Your employer will divide your election amount over your pay periods for the entire year and deduct that amount from your paycheck in equal amounts.

**Use it or lose it** — you will lose any money left in your limited-use FSA at the end of the year. Usually, there is a “run-out” period after the year ends that allows you to submit claims for eligible healthcare costs that were incurred during that year. The length of the “run-out” period is determined by your employer. Check with your employer to find out more.

**Start right away** — you can use your limited-use FSA dollars right away even if your FSA doesn't have sufficient funds from your payroll deductions.

*\* Dependent care FSAs are different from limited-use FSAs and are regulated differently.*

*Dependent care FSAs have an annual contribution limit of \$5,000 per household.*

*Reimbursements for dependent care claims are paid only for services that have already been provided and only if the dependent care FSA has sufficient funds from your payroll deductions.*



Contact Member Services  
or visit [healthpartners.com](http://healthpartners.com) to:

- Download a claim form
- Sign up for direct deposit
- Check the status of your claim