



Basic Guidance on Flexible Spending Account Elections for 2019

In light of ongoing account reconciliation efforts by DataPath involving Flexible Spending Accounts (FSAs), if central office personnel are still fielding questions from employees about how much they should elect for their FSA in 2019, here are five guidelines to help advise them:

1. Please inform employees about any rollovers, grace periods, or run-out periods that you have in place for your FSA.
2. Most districts have chosen a \$500 rollover as part of their FSA. This means an employee will not "lose" any funds **up to** \$500 that were **not** spent in 2018.
3. It is not uncommon for employees to have money left in an FSA while they are electing contributions for the following year. This is a standard feature of FSAs, and would apply regardless of the recent challenges with FPA and DPAS in administering accounts in 2018.
4. If an employee wants to cover their full 2019 out-of-pocket responsibility with an FSA, say \$400, they can elect that amount for 2019, and still have available any funds that rolled over from 2018 to cover qualified medical expenses, including dental or vision expenses.
5. If an employee is considering electing the maximum FSA contribution allowed by IRS Rules in 2019 (\$2,700), the rollover (sometimes referred to as "carryover") does not impact that contribution maximum. So, for example, if an employee has \$300 in rollover or carryover funds from 2018, she could elect to deduct the maximum of \$2,700 in 2019, giving her \$3,000 in available FSA funds.

This notification has been sent to School Business Officials, Human Resources, and Health Members.

To avoid confusion and to ensure consistency in the delivery of information, when distributing VEHI information, do not modify any VEHI communications or attachments.

Please note: For your convenience, all VEHI Communications (sent via Campaign Monitor) can now be found in our archive at vehi.org/home/campaign-monitors/

You're receiving this notification because your school and/or SU are a member of our program.

[Edit your subscription](#) | [Unsubscribe](#)

52 Pike Drive
Berlin, VT 05602
(802) 223-5040