



Flexible Spending Information Open Enrollment Ends on 12/18/2009

Flexible Spending Accounts (FSAs) are designed to pay for qualified medical, dependent care and transportation expenses that are not covered by another source. Using an FSA has one big advantage-it helps you to save money. Your savings can be significant, if you make qualified medical, dependent care, and transportation purchases with pre-tax dollars using an FSA. And the more an FSA is used, the more savings you can realize. How? Read On...

Roger Williams University offers 3 FSAs:

Medical Expenses include amounts paid for the diagnosis, cure, mitigation, treatment or prevention of disease, and for treatments affecting any part or function of the body. The expenses must be primarily to alleviate or prevent a physical or mental defect or illness. Expenses for solely cosmetic reasons generally are not expenses for medical care and may not be eligible. Expenses that are merely beneficial to one's general health are not expenses for medical care. In some cases, you may be asked to provide a letter of medical necessity from your attending physician to substantiate your claim. A special advantage of the Medical FSA allows immediate access to the entire contribution goal amount the first day of the benefit year, before all scheduled contributions have been made.

Dependent Care Expenses include amounts paid for work-related child or adult daycare expenses. Expenses must be incurred to enable you (and your spouse if married) to be gainfully employed.

Transportation Expenses include amounts paid for costs associated with a commuter highway vehicle to travel to and from work, costs associated with transit passes, and qualified parking.

The Key to Success is to Anticipate Expected Purchases. The key to success is to plan the amount you intend to spend on eligible expenses during the benefit year and set your FSA contribution rate to match this expected outlay. It is important that all contributions are used each year to avoid forfeiture of any unused balance.

Using an FSA is Like Buying at a Discount. Using an FSA effectively amounts to reducing income taxes as much as possible. Contributions to an FSA are exempt from federal income taxes, Social Security taxes, and Rhode Island state income taxes which together typically total between 20% and 40%. When making qualified purchases from personal FSA funds, the "discount" comes from the savings on federal and state taxes. Please note that actual savings will depend on your personal income tax rates.

Covered Under Spouse's Insurance. You may enroll in the Roger Williams University Flexible Spending Plan even if you do not have a University health plan.

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Coverage for all Qualified Dependents. An FSA may be used for eligible medical, dependent care, and transportation expenses for any qualified dependent as defined by the IRS.

Changing Contributions. Your elected contribution rate must remain the same through the year unless you experience a qualified change in status such as marriage, birth of a child, adoption of a child, divorce, widowed, etc.

The Claim Card Makes it Easier. The TASC Claim Card functions just like a typical bank card. It enables a cardholder to pay for qualified expenses with funds debited from their FSA account(s). Using the Card prevents a cardholder from having to make a qualified purchase with cash, check or commercial credit or debit card and then file for reimbursement later. Additional cards for eligible dependents are also available. Please note cardholders are asked to save card purchase receipts in case you are asked to prove purchase eligibility at a later time.

What Happens if My Service Provider Does Not Accept the TASC Claim Card? Simply pay for your expense by other means (cash, check, commercial credit or debit card). Once you obtain your receipt, simply complete your customized claim form and fax or mail it to TASC. The reimbursement will be sent to you or directly deposited into your savings or checking account, usually within 48 hours of receipt.

What is the Maximum I Can Contribute to an FSA?

- Medical \$2,500 per year;
- Dependent Care \$5,000 per household (\$2,500 if filing a separate return);
- Transportation \$2,500 per year.

Where do I Find a List of All Eligible Expenses?

<http://www.rwu.edu/about/administration/humanresources/forms/>

Review the following documents:

- Tasc Flexible Spending Enrollment;
- Eligible and Ineligible Dependent Care;
- Eligible and Ineligible Healthcare Expenses;
- Eligible and Ineligible Parking & Transportation Expenses.

How Do I Enroll?

Visit <http://www.rwu.edu/about/administration/humanresources/forms/> and download the *Flexible Compensation Enrollment Form*.

What if I Have Additional Questions? You can:

1. Contact TASC at 800-422-4661
2. Visit www.tasconline.com
3. Contact:
 - Sandra J. Schaefer, Senior Benefits Specialist, at 401-254-3138 or sschaefer@rwu.edu
 - Kim Koper, Human Resources Assistant I, at 401-254-3055 or kkoper@rwu.edu.