

Questions about your Dependent Care FSA

What is a DCFSA?

Families often need help with child and elder daycare. A Dependent Care Flexible Spending Account (FSA) lets you save on dependent daycare expenses using pre-tax dollars. You can spend your dependent daycare savings account funds on a wide range of care for eligible members of your family. Some of the expenses covered include senior daycare, child day care, babysitting, before and after-school programs and sick child care.

Who qualifies as a dependent?

A qualifying dependent is defined by the IRS as:

- Your qualifying child who is your dependent and who was under age 13 when the care was provided;
- Your spouse who was not physically or mentally able to care for himself or herself and lived with you for more than half the year; or
- A person who was not physically or mentally able to care for himself or herself, lived with you for more than half the year, and either was your dependent; or would have been your dependent accepts that he or she received a gross income of \$3,900 or more, filed a joint tax return, or you (or your spouse if filing jointly) could be claimed as a dependent on someone else's tax return.

Can I change the amount I contribute to my DCFSA throughout the year?

The amount you contribute to your ThrivePass Dependent Care FSA cannot be changed during the year unless you experience a change in status or a change in the cost or coverage of services. As determined by the IRS, a change in status is an event that causes your dependent to meet or no longer meet eligibility requirements. Eligible changes in status include:

- Change in legal marital status
- Change in number of dependents due to birth, adoption, or death
- Change in employment status
- Change in cost or coverage charges

What happens if my claim amount is greater than the available balance in my DCFSA account?

If your claim amount is more than what you have in your Dependent Care account, ThrivePass will reimburse you up to the amount that is in your account and hold the rest of your claim until your account is funded. At that time ThrivePass will reimburse you for the rest of your claim.

Will I have access to my entire DCFSA amount at the beginning of the year?

No, you will only have access to Dependent Care funds that have been deducted from your paycheck each pay period.

How much can I allocate to my DCFSA?

Your election may not exceed the maximum annual amount, \$5,000 per year (\$2,500 if you are married and file separate returns). Your maximum allocation may not exceed the earned income limitation. If you are single, the earned income limitation is your salary (excluding your contributions to the plan). If you are

married, the earned income limitation is the lesser of your salary (excluding your contributions to the plan) or your spouse's salary.

What happens if my annual DCFSA expenses are less than what I have contributed to my account?

All money contributed to a Dependent Care FSA must be used to reimburse qualified expenses incurred during that plan year. Money not used to reimburse eligible expenses is forfeited.

The unused portion of your Dependent Care FSA may not be paid to you in cash or other benefits, including transferring money between FSAs. To reduce the risk of forfeiture, it is critical for you to be conservative when choosing your annual election amount.

When is the last day in which I can be reimbursed for my expenses?

The contributions that you make during a calendar year must be used for expenses incurred during that calendar year. Any unused money remaining in your account at the end of the year will be forfeited. This is known as the “use it or lose it” rule. You cannot receive a refund or carry over your balance from one year to the next.