

Benefit Bite #8 Medical Spending Accounts 2024 Plan year

Employee Benefits strives to give our employees every opportunity to participate in programs that give the best benefit, value, and savings.

The IRS allows you to claim medical premiums, co-pays, prescription costs, and deductibles on your taxes at the end of the year, but there are many hoops to jump through in order to claim these deductions.

Employee Benefits makes it much easier for you to get a Tax Savings on these expenses by participating in Pretax Benefits.

A Medical Spending Account allows you to choose an amount to be deducted from your paycheck on a pretax basis. A debit card is issued and your annual pledge is loaded onto the debit card to be used when you make a co-pay at the doctor office, pay for a prescription, get an eye exam, eye wear, or even a dental visit (eligible medical expenses).

There are two different Medical Spending Accounts offered through payroll deduction:

1. Flexible Spending Account (FSA) - there are two great benefits to participating:

A. The money is fully funded up front and can be used right away.

B. You can enroll in any medical plan or no medical plan and still participate in the FSA.

Keep in mind that the FSA plan is a use it or lose it plan and therefore you must carefully select the amount you want to contribute. Make sure you can use the full amount selected so you do not lose the money. You must enroll in the FSA each year, even if you participated last plan year.

The 2024 maximum set by the IRS is \$3,050.00.

Did you know there is a way to spend money left over in your FSA so that you do not lose it? Visit <https://ffbenefits.ffga.com/elpasoid/> and look in the menu of items on the 23/24 Plan year on the tab titled Flexible Spending Accounts to find out about the FSA Store. The FSA Store has the largest selection of FSA and HSA eligible products online!

2. Health Savings Account (HSA) - offers two great benefits to participants:

A. This is NOT a use it or lose it plan and any money left in the account at the end of the plan year rolls over to the next plan year which means you can continue to build up the account value.

B. You can start, stop, increase, or decrease the deduction amount at any time throughout the plan year so there is a lot of flexibility. If you want to change your HSA contribution throughout the year, simply log into ffga.benselect.com and click on My Benefits Tab at the top of the page and then on Benefit Summary, click on Health Savings account and then Unlock to make changes.

However, in order to participate in the HSA, you must be enrolled in the EPISD Self-Funded CDHP and the HSA is not fully funded which means only the money you contribute each paycheck is available to be used at any given time. You must enroll every year even if you participated last plan year. According to IRS rules if you are enrolled in any Medicare Plan including Medicare Part A you cannot contribute to an HSA.

Maximum Annual HSA Elections for 2024:

\$4,150 for Employee Only

\$8,300 for Employee + Dependents

If 55 years of age or older, you can contribute an additional \$1,000 as a catch-up contribution

The ffga.benselect.com website and the <https://ffbenefits.ffga.com/elpasoid/> website have information on the FSA and HSA including FAQs, Highlights, claim forms, and materials.

If you enroll in the EPISD Self-Funded Consumer Driven Healthcare Plan (CDHP) and select the HSA during Open Enrollment, the District will contribute up to \$1000 towards your HSA in January 2024. Keep in mind that this District contribution counts towards your IRS determined annual maximum.

Open Enrollment is October 1, 2023 through October 31, 2023 with an effective date of January 1, 2024. The website to complete the enrollment is ffga.benselect.com. Your user id will be your employee id# or your Social Security #. Your pin will be the last four digits of your social security # and the last two digits of your year of birth for a total of six digits. The enrollment site is available through any internet connection, you do not need to log into EPISD to access the enrollment site. Chrome is the preferred browser for the enrollment site.

Stay Healthy and stay informed!