



# Healthcare & Dependent Care Flexible Spending Accounts

## 2025 PLAN YEAR

The healthcare FSA and dependent care FSA are voluntary accounts that allow you to pay for eligible out-of-pocket healthcare and dependent care expenses with pre-tax dollars. You benefit from having less taxable income on each of your paychecks, which means more spendable income to use toward your eligible healthcare and dependent care expenses. These are separate accounts administered by WEX, and you can elect to enroll in one, both, or neither.

## Eligibility & Enrollment

Full-time (75% FTE or more) appointed academic and staff employees (including medical and optometry residents) are eligible to participate in the plan.

Enrollment is only allowed during the annual Open Enrollment period, within 30 days of experiencing an IRS-defined qualifying life event (e.g. birth or change in marital status), or within 30 days of hire or transfer into an eligible position. New enrollments and election changes are not permitted during November and December.

## Types of Accounts



**Healthcare FSA:** Use funds for reimbursement of qualifying out-of-pocket medical, prescription, vision, hearing, and dental expenses not covered by insurance for you, your spouse, and your eligible dependents.

For participants also enrolled in a health savings account (HSA), healthcare FSA funds can only be used for vision, dental, and *post-deductible* medical expenses.



**Dependent care FSA:** Use funds for reimbursement of eligible day/evening care expenses for your children under 13 or adult dependents that allow you or your spouse to work, look for work, or attend school full-time.

## Contributions

All contributions to FSAs are made by the employee through pre-tax payroll deductions. There is no minimum contribution required to enroll.

**Healthcare FSA: \$3,200 per employee per year.** Spouses can each have their own healthcare FSA with a \$3,200 contribution.

**Dependent care FSA: \$5,000 per household per year.** Spouses can each have their own dependent care FSA but their combined elections cannot exceed \$5,000 (\$2,500 each for married employees who file income taxes separately).

## Availability of funds

When you enroll in the healthcare FSA, your account is funded with your entire annual pledge in a lump sum. Throughout the year, you pay your account back with pre-tax payroll deductions.

For the Dependent care FSA, your annual pledge is divided over the number of pay periods in the year, and your account is funded with each pre-tax payroll deduction.

## Accessing your funds

Before you can access the funds in either FSA, you first have to authorize the plan administrator, WEX, to direct deposit your reimbursements by logging in to the [WEX website](#).

You can then access your FSA funds to pay for eligible expenses in the following ways:

- **Request reimbursement.** For both FSAs, you can pay for eligible expenses out-of-pocket, then submit a claim to WEX for reimbursement. Claims payments are deposited directly to your checking or savings account.
- **Pay with the IU Benefit Card.** The IU Benefit Card is a debit-type Visa card that allows you to pay for eligible expenses from the healthcare FSA, HSA, or both. You simply swipe the card to pay the expense, or enter the card number to pay your provider online. The IU Benefit Card cannot be used to pay for dependent care expenses.



Be sure to save your receipts—when you submit a claim, you'll need to substantiate it with documentation (i.e. receipts).

## Claims and deadlines

**Healthcare FSA:** You can only claim expenses for eligible services you incur during the plan year (between January 1 and December 31), and only during the months you're enrolled in the plan. Claims must be submitted to WEX no later than February 28 of the following year. Up to \$640 of unused funds automatically roll over to the following plan year. Any unused funds over \$640 after the February 28 claims deadline are forfeited.

**Dependent care FSA:** You can only claim expenses for eligible services you incur during the plan year and grace period (between January 1 and March 15 of the following year), and only during the months you're enrolled in the plan. Claims must be submitted to WEX no later than April 15 of the following year. Any unused funds in the account after this deadline are forfeited.

## Enrolling in the healthcare FSA and an HSA

When you're enrolled in both the healthcare FSA and an HSA, your FSA funds can only be used for dental and vision expenses until you meet your annual HDHP deductible.

Once you meet your deductible, and proof has been provided to WEX, your FSA funds can be used for medical and prescription expenses from that date forward.

## Eligible expenses

The following lists provide examples of eligible expenses, but are not comprehensive. For a more complete list, visit the WEX website at [benefit-info.com/iu](https://benefit-info.com/iu).

**Healthcare FSA:** The following expenses are eligible when incurred by you, your spouse, or your eligible dependents age 25 or under:

- Certain over-the-counter (OTC) items and medicines\*
- Dental care and orthodontia
- Hearing aids and related expenses\*
- Medical deductibles, copays, and coinsurance\*
- Menstrual care products\*
- OTC COVID-19 tests\*
- Personal protective equipment (PPE) e.g. face masks, hand sanitizer, and sanitizing wipes\*
- Prescription drugs\*
- Prescription eye glasses, frames, and contacts
- Radial keratotomy and LASIK
- Routine care and physical exams\*
- Smoking cessation programs\*
- Transportation and parking required for medical services\*
- Vision and dental deductibles, copays, and coinsurance
- Weight loss programs prescribed by a physician to treat diagnosed obesity (BMI=30 or greater)\*

*\*These expenses are not eligible if you're also enrolled in an HSA and your annual HDHP deductible has not been met.*

**Dependent care FSA:** The following care expenses are generally eligible for day/evening care expenses for your children under age 13, totally disabled dependents, or your other qualifying tax dependents which allow your and your spouse to work, look for work, or attend school full time:

- Nursery school, preschool, or programs for children below kindergarten level
- Before- or after-school care for a child at kindergarten level or above
- Summer day camp during working hours
- Household employee whose services include the care of a qualifying person
- Application or registration fees, deposits, and fees paid to reserve a spot in a daycare center

## Access your account 24/7

Log in to [benefit-info.com/iu](https://benefit-info.com/iu) or download the IU HSA/FSA mobile app for 24/7 access to your account:

- Check your balances
- Submit a claim for reimbursement
- Contact WEX customer service
- and more!



Follow [these instructions](#) to get started.

For the dependent care FSA, even if your account balance is less than your claim, you can still file the claim. When it's approved, you will be reimbursed as the funds become available in your account.

- For example, if you submit a claim for \$500 and your account balance is \$200, WEX will reimburse the \$200 available in your account, and your balance will be reflected as negative \$300. As additional funds are deposited into your account, WEX will automatically reimburse you for the remaining amount.

## Things to know before you enroll

Because FSAs are governed by the IRS, there are specific rules and regulations that affect the way they operate.

- **Elections must be made in advance.** You must decide before the beginning of the plan year how much you want to contribute to your account(s).
- **You can only change your election mid-year under limited circumstances.** Once you have made your election for the year, you can only change it if you experience an IRS-defined qualifying life event such as marriage, divorce, or the birth or death of a dependent. The change in your election must coincide with the event and be submitted within 30 days of the event date.
- **Money from one account cannot be used for the other account's expenses.** Healthcare FSA funds can only be used for eligible healthcare expenses, and dependent care FSA funds can only be used for eligible dependent care expenses. Funds cannot be transferred from one account to the other for any reason.
- **No "double-dipping" on tax benefits.** If you use your FSA funds for an expense, you cannot also take a tax deduction or claim a tax credit for the same expense.

## Want more information on this plan? Have questions?

Visit the IU Benefits website or contact AskHR at [askhr@iu.edu](mailto:askhr@iu.edu) or 812-856-1234. Already enrolled? Log in to [benefit-info.com/iu](https://benefit-info.com/iu) or contact WEX at [IUSupport@wexinc.com](mailto:IUSupport@wexinc.com) or 800-284-8412.

This is only a summary. The entire provisions are contained in the plan booklets, which can be obtained at [hr.iu.edu/benefits](https://hr.iu.edu/benefits). In the event of a conflict with this document, the terms of the plan booklets will prevail.