

Dependent Care

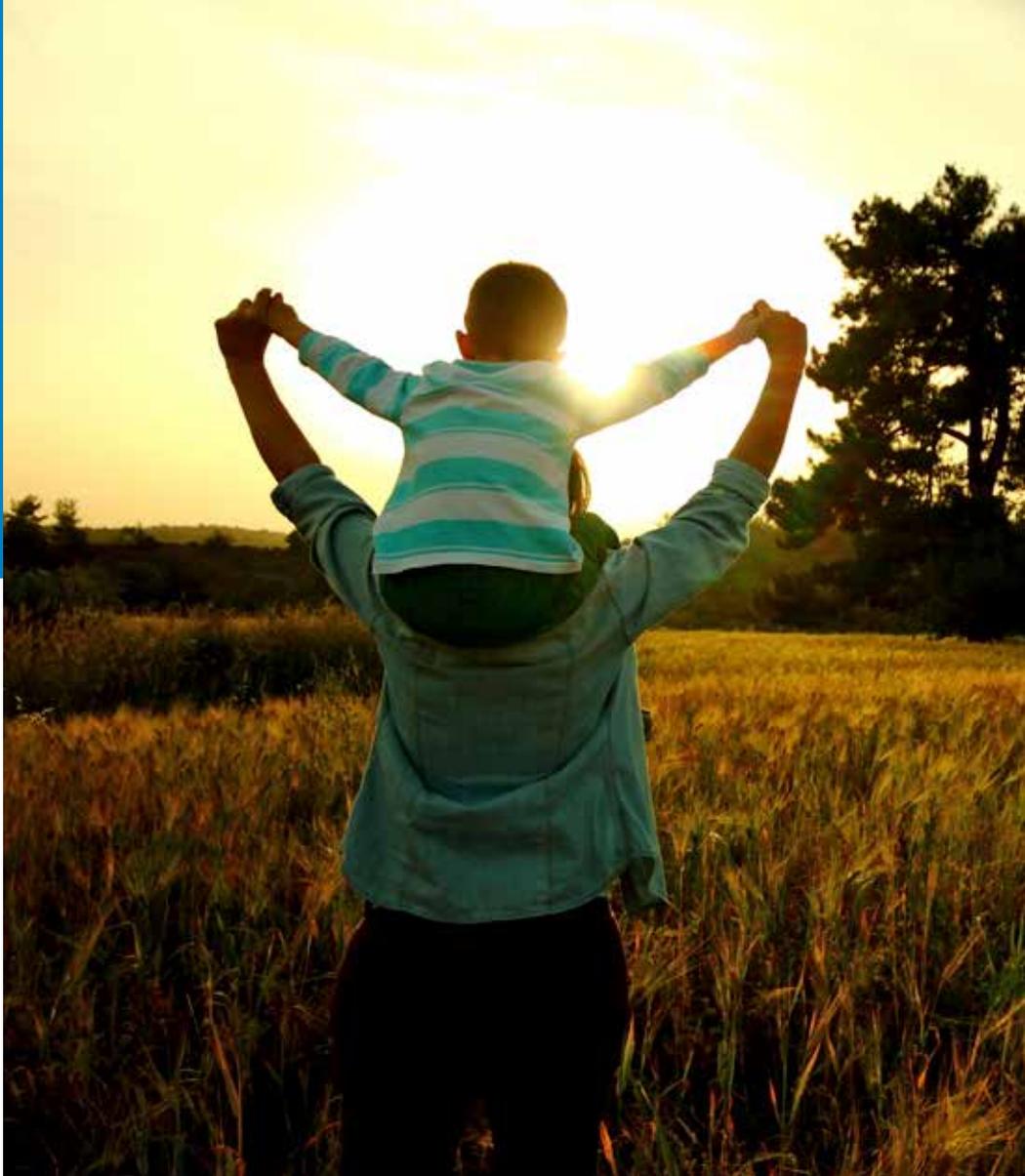
# FSA

Flexible Spending  
Account

*Welcome to your flexible spending account (FSA) from Blue Cross and Blue Shield of Vermont.*

As your trusted partner in health and wellness, we're making these FSA accounts intuitive, accessible and pain free. Everything you need is just a tap, click, call or swipe away.

If you have questions or need more information about an FSA, our expert customer service team is ready to help.



## Introducing the FSA

A dependent care flexible spending account (FSA) is a personal expense account that allows you to set aside a portion of your salary pretax. You can use that money to pay for certain dependent care costs such as daycare, preschool and after-school programs, and eldercare, tax-free.

Depending on your tax bracket, a dependent care FSA can help you save as much as 28 to 40 percent on most of these costs.<sup>1</sup>

<sup>1</sup>See your tax advisor with questions.

## How a dependent care FSA works

 Estimate your dependent care costs next year. (Plan wisely. Depending on the plan your employer sets up, any unused money will be forfeited at the end of the plan year or grace period.)

 Select how much to withhold from your pay at enrollment.

 The amount you select is withheld pretax from your pay in equal portions throughout the year and put into your FSA.

 Once it's in your FSA, the money is ready to use for dependent care costs. Simply submit your receipts and get reimbursed up to the available balance in your account.

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# Pay for dependent care expenses tax-free

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## All systems go!

**For your FSA to work, use it for these:**

- Licensed day care facilities
- Licensed pre-school and after-school programs
- In home care services
- Eldercare
- Special day camp expenses

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## Heads up!

**You can't use your FSA for these:**

- Care for children age 13 or older except special circumstances
- Care provided by an individual without a tax ID or Social Security number
- School expenses including kindergarten
- Late fees or fees charged for missed days
- Overnight camp
- Meals and food items
- After-school sports or enrichment
- Transportation or activity fees

*NOTE: It's important to save all your receipts to validate expenses, as required by the IRS.*



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## Select a dependent care FSA at enrollment

Get connected when you receive your Spending Account I.D. number in the mail.

**Learn more. Talk to a health care spending administration expert.**

Your sales representative can provide you with more information.

*Need help?*

Call Blue Cross and Blue Shield of Vermont at **1-866-999-2605**

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