

Health Care FSA Carryover

Contribute up to \$500 in a Health Care FSA with no risk of losing it at plan year's end.



What is the \$500 Carryover?

The \$500 Healthcare FSA Carryover allows participants to roll up to \$500 of the unused funds in their Healthcare Spending Account into the next plan year.

What are the benefits of the \$500 Carryover?

- Prevent participants from losing money. The IRS “Use It or Lose It” policy does not apply to the carried over amount.
- Participants who do not make an election in the next plan year can still carry over the remaining balance of \$500 or less and spend it in the next plan year, provided they remain eligible to participate in the plan.
- Does not reduce the maximum allowed election amount. For example, if a plan allows for a maximum election amount of \$2,700, a participant may carry over up to \$500, resulting in \$3,200 to spend in the next plan year.
- There are no tax impacts of carrying over funds into the next plan year.

Remember! Always refer to your company's FSA Summary Plan Description to understand the specific terms of your Plan.

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