

Frequently Asked Questions – Health FSA Carryover

1. What if I have \$1,200 left in my Health FSA. Will the whole amount be carried over to the next year?

The maximum carryover amount for each plan year is \$500. You must incur claims by December 31 or you will lose the remaining \$700.

2. I will have money left in this year's Health FSA, and I did not elect a Health FSA for the next plan year. Will the money I did not use carry over?

Yes, up to \$500 of any remaining funds will be carried over, even if you didn't elect to contribute to a Health FSA for the next plan year. The funds will be applied and available after the 90 day claims filing period ends on March 31.

3. Why do I have to wait until April to access my prior year's carryover for current year expenses?

Seattle Housing Authority has an additional 90 days (until March 31) after a plan year has finished called the "claims filing period" to file any remaining claims from the previous plan year. The carryover balance cannot be applied until the claims filing period is over to ensure all claims have been processed and reimbursed.

4. If I find un-submitted receipts from 2019 after March 31, 2020, can I request reimbursement for them from the money that carried over to 2020?

If you find unreimbursed receipts for 2019, you may submit them by March 31, 2020 to Flex-Plan Services for reimbursement for 2019 expenses. After March 31, 2020, the carryover funds will be applied to your 2020 balance and can only be used for eligible expenses incurred between January 1 and December 31, 2020. You will no longer be able to claim for expenses incurred in the 2019 plan year.

5. I will end up carrying over \$500, and I elected \$2,700 Health FSA for 2020. Since \$2,700 is the maximum contribution, will I have \$3,200 to use in 2020?

Yes, you will have \$3,200 to use for health care expenses in 2020. The 2019 carryover amount does not apply toward the 2020 maximum contribution amount.

6. What will happen if I don't use the \$500 carryover in 2020? Can I carry it over to 2021?

If you do not use your funds during the plan year, up to \$500 will be carried over to the subsequent plan year. If you do not use them that year they will continue to carryover until you use them, or until you leave SHA.

7. Is the carryover a one-time opportunity? If I don't use all my 2019 Health FSA funds in 2020, will I be able to carry over up to \$500 to 2021?

The carryover opportunity will occur each year. If you don't use all of the money you had deducted from your paychecks in 2020, up to \$500 will be carried forward into 2021.

8. What will happen to my carryover if I leave SHA employment?

Your carryover funds are treated the same as any other Health FSA funds once they have been carried over and applied to the subsequent year's balance. If you terminate employment with SHA your access to any remaining funds will depend on a couple of things: (1) your last day of active employment, and (2) whether you choose to continue your regular Health FSA by accelerating your contribution from your last paycheck or through COBRA.