



Questions & Answers

Medical & Dependent Care Flexible Spending Account

Q

Why should I choose a Medical and/or Dependent Flexible Spending Account (FSA)?

A flexible spending account (FSA) lets you save money by setting aside pre-tax dollars to pay for eligible medical, dental, vision and dependent care expenses incurred by you, your spouse or your eligible dependents.

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What are the top 6 most common eligible expenses?

1. Co-payments, co-insurance and deductibles.
2. Dental care – cleanings, fillings, exams, and even orthodontia.
3. Eye care – eyeglasses, exams, contact lenses, LASIK and contact lens care.
4. Over-the-counter (OTC) products.
5. Prescriptions and OTC drugs (Advil, Zyrtec, Prilosec).
6. Medical office visits with health care providers not covered by a regular health insurance plan – chiropractors, acupuncturists, and other alternative medicine are a few examples.

Q

Who can use my Medical Flexible Spending Account (FSA)?

You can use your funds for eligible expenses occurred by you, your spouse, or your eligible dependents. Thousands of products and services are FSA eligible. (Eligible expenses are determined by the IRS.)

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How do I pay for eligible expenses and receive a reimbursement?

As a participant you will receive two Driven125 debit cards. When paying for your FSA expenses, use your debit card to make your purchase or pay for your services at your provider.



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What happens if my eligible dependent care expenses throughout the plan year are lower than the annual amount I elected to contribute?

If your eligible dependent care expenses throughout the plan year are lower than the annual amount you elected to contribute, the remaining funds in your Dependent Care FSA may be forfeited, depending on the rules of your specific FSA plan. The "use-it-or-lose-it" rule typically applies to Dependent Care FSAs, meaning that any unclaimed funds at the end of the plan year may not carry over to the following year, and you may not receive a refund for the unused amount.

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How do I file a claim for dependent care?

To submit a dependent care claim, visit login.driven125.com to access your consumer portal, where you can file the claim for dependent care expenses.

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What type of documentation should be included when I file my dependent care claim?

- **Receipts:** Provide itemized receipts or invoices from the care provider that show the date, the name of the caregiver, the type of service provided, and the amount charged for the care.
- **Provider Information:** Include the name, address, and Tax Identification Number (TIN) or Social Security Number (SSN) of the care provider.
- **Dates of Service:** Clearly state the dates when the dependent care services were provided.
- **Proof of Payment:** If the payment is not directly made by the FSA account, include evidence of payment, such as canceled checks, credit card statements, or bank statements.
- **Dependent Information:** Include the name and age of the dependent for whom the care was provided.



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What is the maximum annual contribution allowed for Dependent Care FSA?

The IRS allowed a maximum contribution of \$7,500 per household for a Dependent Care FSA for 2026. If you are married and filing taxes separately, the contribution limit is \$3,750 for each spouse for 2026.

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Can both my spouse and I choose to contribute up to \$7,500.00 each to our Dependent Care FSA?

If you and your spouse are married and file a joint tax return, the combined maximum election amount for both of you is \$7,500.00. This means that you cannot each claim \$7,500.00 individually. However, if you are married but file separate tax returns, the maximum amount available for each of you is \$3,750.00.

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Is tuition considered an eligible expense for dependent care?

No, tuition expenses are not considered eligible expenses for dependent care.

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Can I reimburse myself through my dependent care FSA for the expenses of my 16-year-old daughter caring for my 8-year-old son after school?

No, you cannot reimburse yourself through your dependent care FSA for the expenses of your 16-year-old daughter caring for your 8-year-old son after school. The reason is that a dependent care FSA typically requires that the caregiver be at least 19 years old, and your daughter does not meet this age requirement. The FSA guidelines usually specify that the caregiver cannot be your dependent or your child under the age of 19.

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If I have chosen to contribute the max of \$416.66 per month to my dependent care FSA, but my actual expenses are closer to \$890.00 per month. Should I submit my claim form for \$416.66 or \$890.00?

You should submit your claim form for the actual expenses incurred, which is \$890.00 per month. The amount you contribute to your dependent care FSA is a pre-tax deduction from your paycheck, and it does not affect the reimbursement amount. As long as the expenses are eligible and within the plan limits, you can be reimbursed for the full amount of \$890 per month, even if your monthly contribution is \$416.66



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How will I be reimbursed for Dependent Care FSA?

The easiest way to receive reimbursement is through direct deposit. If you haven't set up direct deposit in your consumer portal, a check will be mailed to the address on file instead.



What happens if my eligible dependent care expenses throughout the plan year are lower than the annual amount I elected to contribute?

If your eligible dependent care expenses throughout the plan year are lower than the annual amount you elected to contribute, the remaining funds in your Dependent Care FSA may be forfeited, depending on the rules of your specific FSA plan. The "use-it-or-lose-it" rule typically applies to Dependent Care FSAs, meaning that any unclaimed funds at the end of the plan year may not carry over to the following year, and you may not receive a refund for the unused amount.



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How do I know how much money is left in my Dependent Care Flexible Spending Account?

You can check your balance by logging into login.driven125.com.

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If you terminate your employment, what will happen to your dependent care flexible spending account?

If your employment is terminated during the plan year or you become ineligible under the plan for any reason, your active participation in the dependent care FSA will automatically end. This includes the pre-tax contributions to the FSA. Expenses for services rendered after your termination date will not be eligible for reimbursement.

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Can I change my Dependent Care Flexible Spending Account?

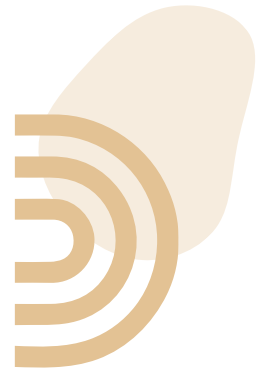
Qualifying life events that may allow you to change your Dependent Care FSA contribution mid-year include:

- Change in Marital Status: Marriage, divorce, legal separation, or the death of a spouse.
- Change in Dependent Care Needs: Birth, adoption, or the placement of a child for adoption.
- Change in Employment Status: Changes in your or your spouse's employment status, such as a change in job, termination, or a change in work hours.
- Cost of Care Changes: Significant changes in the cost of dependent care, such as a change in daycare provider or the cost of care.
- Loss of Other Coverage: If your spouse loses their dependent care coverage through their employer, you may be eligible to make changes.
- Open Enrollment Period: During the open enrollment period, typically held annually, you may have the opportunity to adjust your FSA contributions without needing a qualifying life event.
- Outside of these qualifying life events or open enrollment, changes to your Dependent Care FSA contribution are generally not allowed. However, it's essential to check with your employer or your FSA administrator for specific details about your plan and any available options for making changes to your contribution mid-year. Rules and options may vary depending on your employer's plan and the FSA provider.



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Do I qualify for a dependent care flexible spending account?

To qualify for reimbursement through your dependent care FSA, the expenses must be incurred to support your ability to work or actively seek employment, and the same applies to your spouse if you are married. The definition of "work" encompasses actively seeking employment, but it does not include unpaid volunteer work or volunteer work that provides only a nominal salary. If your spouse is a full-time student for at least five months during the tax year or is unable to care for themselves due to physical or mental reasons, they are considered to have worked for the FSA eligibility purposes.

Q

What is not reimbursable via a dependent care flexible spending account?

- **Expenses for Non-Qualifying Dependents:** The FSA is designed to cover care expenses for eligible dependents, which typically include children under the age of 13 and disabled spouses or other qualifying dependents who are physically or mentally incapable of self-care. Expenses related to caring for dependents who do not meet these criteria would not be covered.
- **Overnight Camp Expenses:** While some day camps may qualify as eligible expenses, overnight camps or similar programs that provide lodging are usually not covered by a dependent care FSA.
- **Educational Expenses:** Costs associated with private school tuition, kindergarten, or higher education, even if they have a child care component, are not eligible for reimbursement.
- **Extracurricular Activities:** Expenses for extracurricular activities such as sports lessons, dance classes, or music lessons, which are not purely for dependent care purposes, are typically not eligible.
- **Babysitting for Non-Work-Related Purposes:** Babysitting expenses incurred when parents are not working or looking for work are generally not covered.
- **Household Services:** General household services like housekeeping, cooking, or cleaning that do not specifically relate to dependent care are not eligible expenses.
- **Transportation Costs:** Expenses related to transporting dependents to and from care facilities are not eligible for reimbursement.
- **Education or Enrichment Programs:** Costs associated with education or enrichment programs, such as summer school, tutoring, or academic programs, are usually not covered.
- **Late Pick-Up Fees:** Any late pick-up fees or penalties charged by care providers are generally not eligible for reimbursement.