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FLEXIBLE SPENDING ACCOUNTS & HEALTH SAVINGS ACCOUNTS GUIDE

Your Benefits. Your Life. Your Choices.



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Flexible Spending Accounts (FSAs)

Flexible Spending Accounts (FSAs) allow you to contribute pre-tax dollars from your paycheck to pay for eligible expenses. Because contributions are made on a pre-tax basis, they reduce your taxable income.

The Company offers three types of FSA plans:

- Healthcare (HCFSA)
- Limited Purpose (LPFSA)
- Dependent Care (DCFSA)



WEX Customer Support

(866) 451-3399

Monday-Friday, 6 AM to 9 PM PST

Website: benefitslogin.wexhealth.com

Email: customerservice@wexhealth.com

How Does an FSA Work?

You choose how much you want to contribute to your FSA plan(s) each year, subject to the applicable contribution limits. Your election applies to the plan year (January 1–December 31), and the corresponding amount is deducted from your paycheck each pay period.

- You can use your pre-tax FSA dollars to pay for eligible out-of-pocket healthcare or dependent care expenses, depending on the account you elect.
- You may change your FSA election during Open Enrollment or following an eligible qualifying life event. Changes during the plan year must be consistent with applicable IRS rules and the plan's provisions.
- Employees must elect their Healthcare FSA, Limited Purpose FSA, Dependent Care FSA, and/or HSA payroll contributions in Dayforce during Open Enrollment. Contribution elections must be made each year and do not automatically carry over.

Healthcare Flexible Spending Account (HCFSA)

Using pre-tax payroll contributions, you can receive reimbursement from your HCFSA for eligible medical, dental, and vision expenses incurred by you or your eligible dependents, provided the expenses are not covered or reimbursed by another plan.

- You can elect to contribute between the plan's minimum and annual maximum. See page 5 for current contribution limits.
- Eligible expenses may include copays, coinsurance, deductibles, medical supplies and equipment, mental health and substance use treatment, orthodontia, eyeglasses, and contact lenses.
- You do not need to be enrolled in a Company medical plan to participate in the HCFSA.
- You cannot use FSA funds to pay for cosmetic services that are not eligible under IRS rules.
- You can pay for eligible expenses with your WEX Debit Card.
- Your full annual HCFSA election is available on the first day of coverage; you do not need to wait for contributions to accumulate.
- If you contribute to an HSA, you generally cannot participate in a general-purpose HCFSA. However, you may be eligible for a Limited Purpose FSA (LPFSA).

Healthcare Tax Deduction

You may be able to deduct eligible unreimbursed medical expenses that exceed 7.5% of your adjusted gross income (AGI) on your federal income tax return, subject to IRS rules. You cannot use both an HCFSA reimbursement and a federal income tax deduction for the same expense. Consult your tax advisor to determine which option may be more beneficial for you.

Limited Purpose Flexible Spending Account (LPFSA)

You may participate in the LPFSA if you contribute to an HSA. The LPFSA allows you to use pre-tax dollars to pay for eligible dental and vision expenses for you and your eligible dependents. The LPFSA generally follows the same contribution limits, carryover rules, and claim-filing deadlines as the HCFSA. See page 5 for current limits and deadlines.

If you enroll, you will receive a debit card that can be used for eligible dental and vision expenses. Your full annual LPFSA election is available on the first day of coverage; you do not need to wait for contributions to accumulate.

Dependent Care Flexible Spending Account (DCFSA)

The Dependent Care Flexible Spending Account (DCFSA) allows you to contribute pre-tax dollars to pay for eligible dependent care expenses.

- You may elect to contribute up to the applicable annual limit. See page 5 for current contribution limits.
- Expenses must be for an eligible dependent care provider and meet applicable IRS requirements.
 - Eligible dependents generally include qualifying children under age 13 and certain other dependents who are incapable of self-care.
 - Dependent care expenses generally must enable you (and your spouse, if married) to work or look for work, subject to applicable IRS exceptions.
- DCFSA funds are available for reimbursement only after contributions have been deposited into your account.
- You can use the WEX Debit Card where accepted for eligible dependent care expenses.

Child Care Tax Credit

A child care tax credit may be available on your federal income tax return. The amount you contribute to your DCFSA may reduce the expenses eligible for the tax credit. Depending on your household income and circumstances, you may benefit more from the federal tax credit. Consult your tax advisor to determine which option is better for you.

Debit Card

The WEX Debit Card allows you to pay eligible healthcare and dependent care expenses directly at the point of service, where accepted. This can help you avoid paying out of pocket and waiting for reimbursement.

When paying for an eligible expense, such as an office copay, simply use your debit card instead of cash or another payment method. Although you generally do not need to submit a claim form for debit card purchases, WEX may require documentation to verify an expense. Always keep your receipts.

How the Accounts Work

Managing an FSA is simple. Each year, estimate your eligible healthcare and/or dependent care expenses and elect how much you want to contribute to the appropriate FSA, subject to the applicable contribution limits. Deductions are taken from your bi-weekly paycheck.

Paying for Services

You will receive an FSA debit card from WEX when you first enroll, allowing for easy and convenient payment at participating providers or merchants. Use your debit card to pay the provider directly. You may be required to submit documentation for certain transactions, so be sure to save your receipts. If the provider does not accept the debit card, pay out of pocket and submit a claim and supporting receipts to WEX for reimbursement.

Important Differences to Remember

You can file claims for eligible Healthcare FSA (HCFSA) and Limited Purpose FSA (LPFSA) expenses up to your full annual election amount, even before all payroll contributions have been made.

For the Dependent Care FSA (DCFSA), reimbursement is available only up to the amount contributed to your account at the time your claim is processed.

Qualified healthcare expenses that can be reimbursed by an FSA on a tax-free basis are generally defined under Section 213(d) of the Internal Revenue Code.

Refer to IRS Publication 502 for additional information about eligible medical and dental expenses.

Use-It-or-Lose-It Rule — Estimate Carefully with an FSA

FSAs are generally subject to the use-it-or-lose-it rule.

Eligible expenses must be incurred during the applicable coverage period, and reimbursement claims must be submitted by the designated deadline.

Unused Healthcare FSA (HCFSA) and Limited Purpose FSA (LPFSA) funds may be carried over to the following plan year, subject to the plan's minimum and maximum carryover limits. Amounts that are not eligible for carryover will be forfeited.

Annual FSA Contribution Limits – 2027

The contribution limits below apply to the 2027 plan year. These limits are subject to change based on IRS guidelines

Account	Minimum Annual Contribution	Maximum Annual Contribution
Healthcare FSA (HCFSA)	\$100	TBD**
Limited Purpose FSA (LPFSA)	\$100	TBD**
Dependent Care FSA (DCFSA)	\$100	\$7,500 per household*

*The DCFSA annual limit is \$3,750 for married individuals filing separately. Other IRS eligibility and earned-income restrictions may apply.

Important Dates and Carryover Amounts

The dates and carryover amounts apply to the 2026 and 2027 plan years.

Item	2026 to 2027 (Current plan year closeout)	2027 to 2028 (Upcoming plan year closeout)
Last date to incur eligible expenses	December 31, 2026	December 31, 2027
Deadline to submit reimbursement claims	March 31, 2027	March 31, 2028
HCFSA/LPFSA minimum carryover amount	\$100	\$100
HCFSA/LPFSA maximum carryover amount	\$680	TBD**

** The 2027 FSA contribution and carryover limits listed as TBD were not available at the time of publication. Once the IRS announces the official limits, the Benefits Guide, Dayforce enrollment system, and applicable benefits resources will be updated accordingly.

The Dependent Care FSA (DCFSA) does not allow carryovers. See the Annual FSA Contribution Limits and Important Deadlines sections below for the applicable amounts and dates.

Advantages of FSAs

You lower your taxable income. Your FSA contributions are deducted from your paycheck on a pre-tax basis, generally before federal income and Social Security (FICA) taxes are taken out. State tax treatment may vary.

For example, if you earn \$3,000 a month and contribute \$200 to your Healthcare FSA, your federal taxable wages generally decrease to \$2,800 for that month.

The tax savings are reflected in your paycheck throughout the year.

What Happens to My FSA if I Leave Employment?

If you leave employment, your FSA coverage generally ends on your last day of employment, subject to applicable continuation coverage provisions. You will have 90 days to submit eligible claims for expenses incurred before your coverage ended, subject to the plan's rules.

Health Savings Account (HSA)

If you enroll in the High Deductible Health Plan (HDHP), you can also open an HSA to help pay for current and future eligible health care expenses. An HSA is similar to an FSA but with some important differences.

A Health Savings Account (HSA) is a tax-advantaged savings account used to set aside money for eligible healthcare expenses. You can use your HSA to pay for eligible expenses as they occur or save the funds for future healthcare needs. Your HSA is administered by HealthEquity.



HealthEquity

(866) 346-5800

Website: www.healthequity.com

Email: memberservices@healthequity.com

Contribution Limits

The IRS sets annual HSA contribution limits based on your HDHP coverage level. Individuals age 55 or older may contribute an additional \$1,000 annually in catch-up contributions.

See the Annual HSA Contribution Limits table below for the applicable amounts.

Annual HSA Contribution Limits – 2027

Coverage	Maximum Annual Contribution
Self-only coverage	\$4,500
Family coverage	\$9,000
Additional catch-up contribution (age 55+)	\$1,000

HSA Key Features

- HSA funds may be used to pay for qualified medical, dental, and vision expenses. For more information about eligible expenses, visit www.irs.gov and refer to IRS Publication 502, Medical and Dental Expenses.
- Withdrawals for expenses that are not qualified medical expenses are generally subject to income tax and an additional 20% tax. The additional 20% tax does not apply after age 65, disability, or death.
- Unlike an FSA, you own your HSA. Unused funds remain in your account from year to year, even if you change health plans, retire, or leave your employer.
- To contribute to an HSA, you must meet IRS eligibility requirements, including enrollment in an HSA-eligible HDHP.
- You generally cannot have other disqualifying health coverage, such as coverage under a non-HDHP medical plan.
- You cannot be enrolled in Medicare and contribute to an HSA.
- You generally cannot contribute to an HSA while covered by a general-purpose Healthcare FSA (HCFSAs) or other disqualifying coverage. Participation in a Limited Purpose FSA (LPFSA) is permitted.

- You cannot be claimed as a dependent on someone else's tax return.
- Contributions must be deposited into your HSA before you can use the funds to pay for eligible expenses or receive reimbursement.
- If you have an HCFSAs and plan to contribute to an HSA in the following plan year, remaining HCFSAs funds or carryover coverage may affect your HSA eligibility. Review the applicable plan rules and contact the Benefits Team before making your elections. HCFSAs funds cannot be transferred into an HSA.



Important: Annual HSA contribution limits include contributions from all sources, including your current and prior employers. You are responsible for monitoring your total contributions to ensure you do not exceed the applicable IRS limit.

Savings

You can save the money in your HSA for future medical expenses while your account may grow through tax-advantaged investment earnings.

Control

You make the decisions regarding:

- How much money you will contribute to the account;
- When to make contributions to the account;
- Whether to save the funds for future expenses or pay current medical expenses;
- Which eligible expenses to pay from the account;
- How to invest the money in the account, subject to available investment options.

Portability

Your HSA is portable, meaning you can keep your account even if you:

- Change jobs;
- Change your medical coverage;
- Become unemployed;
- Move to another state.

Ownership

Funds remain in your HSA from year to year, similar to an IRA. There is no use-it-or-lose-it rule for HSAs, making an HSA a way to save money for future medical expenses.

Tax Savings

An HSA offers three potential federal tax advantages:

- Tax-deductible or pre-tax contributions;
- Tax-free earnings within the account;
- Tax-free withdrawals for qualified medical expenses.

What Happens to My HSA When I Die?

- If your spouse is your designated beneficiary, the HSA becomes your spouse's HSA upon your death.
- If someone other than your spouse is your designated beneficiary, the account will no longer be treated as an HSA upon your death. Its value generally becomes taxable to the beneficiary, subject to applicable IRS rules.
- If your estate is the beneficiary, the account value is generally included in your final income tax return.
- You should review and update your HSA beneficiary designation as needed.

HSA Enrollment and Account Access

To contribute to an HSA through payroll, you must elect your HSA contribution amount in Dayforce during the annual Open Enrollment period.

Important: Electing HSA contributions in Dayforce and establishing or accessing your HealthEquity HSA are separate steps. Completing your HealthEquity account setup does not replace your required Dayforce contribution election.

Steps to Set Up and Access Your HSA

1. **Complete your HSA contribution election in Dayforce** during Open Enrollment.
2. **Access HealthEquity:** Visit <https://my.healthequity.com> to register for or log in to your account.
3. **Complete any required account setup or identity verification.** HealthEquity may establish your HSA using information provided through the Company's benefits administration process. If additional information is needed, follow HealthEquity's instructions.
4. **Manage your HSA:** Once your account is established and accessible, you can view your balance, manage contributions, and pay or request reimbursement for eligible healthcare expenses.



If you already have a HealthEquity HSA, you generally do not need to open another account. However, you must still make a new payroll contribution election in Dayforce during each annual Open Enrollment period.

Questions? Call HealthEquity at **(866) 346-5800** for assistance.

Collective Health and HealthEquity

The HealthEquity HSA integrates with Collective Health, making it easier to manage your HSA alongside your Collective Health High Deductible Health Plan (HDHP). This integration includes the following features:

- Single sign-on from the Collective Health portal;
- HSA account balances displayed in the Collective Health portal and mobile app;
- Medical and pharmacy claims sent to HealthEquity to help members verify eligible expenses and submit reimbursement requests;
- Member Advocate support for account balances and contribution election information.

Additional Resources from HealthEquity

- A listing of HealthEquity Eligible Expenses can be accessed through <https://healthequity.com/qme>
- HealthEquity HSA Member Guide: <https://www2.healthequity.com/doclib/hsa/hsamemberguide.pdf>
- More information: <https://healthequity.com/doclib/hsa/hsa-winning.pdf>

How to Transfer an HSA Account to HealthEquity

Health Savings Account Transfer

HealthEquity makes it easy to manage your Health Savings Account (HSA) by providing convenient access online and through its mobile app.



Moving your HSA is simple:

1. Download the HealthEquity transfer form at:
<https://resources.healthequity.com/Forms/TransferRequestForm.pdf>
2. Complete the form entirely. Since HSAs are individually held accounts, only you (the account owner) can request your account be closed and the balance be transferred.
3. Send the completed form to HealthEquity via mail, email or fax.

Address:

HealthEquity Attn: Operations
15 W Scenic Pointe Drive, Ste 100
Draper, UT 84020

Email: transfer@healthequity.com

Fax: **(801) 846-2929**

HealthEquity will coordinate with your prior HSA custodian to initiate the transfer of your balance, less any applicable fees assessed by your prior custodian.

Transfer processing times vary by custodian. Contact HealthEquity for information about your transfer.

For assistance, call HealthEquity at **(866) 346-5800**.



Comparison of HSA and Healthcare FSAs



	Health Savings Account (HSA)	Health Care & Limited Purpose Flexible Spending Accounts (FSA)
Who administers the account?	HealthEquity	WEX
Who owns the account?	Employee	The Company
Eligible individual	Employees enrolled in the Company's High Deductible Health Plan (HDHP) who meet IRS eligibility requirements, including having no disqualifying health coverage, not being enrolled in Medicare, and not being claimed as a dependent on another person's tax return.	HCFSA: Eligible employees who are not contributing to an HSA. LPFSA: Eligible employees enrolled in the Company's HSA.
Maximum annual contribution limit	See page 6 for current annual HSA contribution limits, including the additional catch-up contribution for individuals age 55 or older.	See page 5 for current annual HCFSA and LPFSA contribution limits.
When are the funds available for my use?	You can be reimbursed only up to the amount in your account at the time you request reimbursement.	Your full annual HCFSA or LPFSA election is available on the first day of coverage, before all payroll contributions have been made.
Can unused funds be rolled over from year to year?	Yes. Unused HSA funds remain in your account from year to year without a carryover limit.	Yes, subject to the plan's minimum and maximum carryover limits. See page 5.
Can funds be used for non-health care expenses?	Yes, but withdrawals for nonqualified expenses are generally subject to income tax and an additional 20% tax. The additional 20% tax does not apply after age 65, disability, or death.	No. HCFSA and LPFSA funds may be used only for eligible expenses under the applicable account rules.

	Health Savings Account (HSA)	Health Care & Limited Purpose Flexible Spending Accounts (FSA)
Must health care expenses be incurred during the plan year the contribution is made?	No. Eligible expenses incurred after your HSA is established may be reimbursed in a later year, provided they have not already been reimbursed or deducted.	Yes. Eligible expenses must be incurred during the applicable coverage period, and claims must be submitted by the designated deadline.
Federal tax treatment of employee contributions	Eligible HSA contributions are generally tax-deductible, even if you do not itemize deductions. Contributions made through pre-tax payroll deductions generally are not subject to federal income or FICA taxes.	Contributions made through pre-tax payroll deductions generally are not subject to federal income or FICA taxes.
Is third-party substantiation of expenses required?	No routine third-party substantiation is required for HSA distributions. However, you are responsible for maintaining receipts and other documentation showing that distributions were used for qualified medical expenses in case of an IRS audit.	Documentation may be required to verify eligible expenses, including certain debit card transactions. Claims submitted for reimbursement require supporting documentation.
Is the account portable between employers?	Yes. You own your HSA and can keep it if you change employers or leave employment.	No. FSA accounts do not transfer between employers. Coverage generally ends when employment terminates.
Is re-enrollment required each year?	Yes, you must elect HSA contributions each year.	Yes, you must elect FSA contributions each year.
Are mid-year contribution election changes allowed?	Yes. You may change your HSA payroll contribution election during the year, subject to payroll processing requirements.	Generally no, unless you experience an eligible qualifying life event and the change is permitted under the plan.

**Disclaimer**

This benefits guide provides highlights of the benefit programs and is not intended to provide a complete description of all plan provisions. While every effort has been made to ensure the accuracy of this information, the official plan documents govern in all cases. The Company reserves the right to amend or terminate these programs at any time. Participation in these programs does not constitute a contract of employment.