

# THE NEXT GENERATION OF FLEXIBLE SPENDING ACCOUNTS

Your health care flexible spending account (FSA) is getting more convenient and more flexible.

In the past, having an FSA required you to carefully estimate your health care expenses for the upcoming year. And if you didn't spend all of the money in your account, you would lose it.

But the U.S. Department of the Treasury modified how FSAs work. Depending on your plan, you may be able to carryover available funds into the next year's FSA.



## What does this change mean for you?

Make sure you understand your plan's rules. If you can roll over funds, this means you have more control and

flexibility in managing your out-of-pocket health care expenses. It also means that you can take advantage of valuable tax savings without worrying about losing all of your hard-earned money.

### No more:

- › Trying to precisely predict what your health care expenses might be for the year.
- › Worrying about losing all unused funds in your FSA at the end of the plan year.
- › Rushing to spend your remaining FSA funds at the end of the plan year.



## How does FSA carryover work?

- › You will start your new FSA plan year with the contribution amount you selected (up to \$2,750, depending on your plan).
- › During the "run-out" period (usually the first 90 days in the new plan year), you will be able to request reimbursement for eligible expenses incurred during the previous year.
- › After the "run-out" period ends you will have access to both the funds that are carried over and your contribution amount for eligible expenses incurred during the current plan year.

## Questions about your FSA?

Please reach out to your employer's benefits contact or call Cigna's customer service, available 24/7/365.

## Don't have an FSA?

Now, depending on your plan, you can deposit up to \$550 with less risk of losing your hard-earned money. So why not elect an FSA at your next enrollment period? Since FSA funds are pretax, you could save up to \$198.\*

\* Based on IRS single filer tax bracket of 39.6% annually.



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