



Flexible Spending Accounts (FSA) Reminders

Medical FSA Reimbursement

- Expenses are treated as having been “incurred” when the participant is provided with medical care that gives rise to medical expenses, not when the participant is formally charged, billed, or pays for the medical care.
- We must have a Reimbursement Request Form with proper documentation included in order process a claim for reimbursement. Make sure you have signed, dated, and put your employer’s/company’s name in the appropriate place. State of Mississippi employees, please denote the agency. In signing the form, the participant is providing a written statement that the expense has not been reimbursed or is not reimbursable under any other source.
- An Itemized Statement from the provider or an Explanation of Benefits (EOB) from an insurance carrier is sufficient documentation. An Itemized Statement should include the following: (1) provider’s name and address, (2) patient’s name, (3) date(s) of service, (4) description of services, and (5) the amount charged.
- Cancelled checks, balance forwards, and paid on account receipts are not sufficient documentation relating to the nature of the expense (for what and whom it was incurred) rendered by an independent third-party provider. Similarly, charge card receipts do not generally include the required information.

Reminders of eligible and non-eligible expenses:

- Cosmetic and elective related expenses are not eligible.
- Counseling is eligible if the participant or dependent is being treated for a specific mental health diagnosis.
- Massage therapy is eligible if a doctor has deemed it medically necessary. Be sure to get a letter from the doctor that includes the specific medial need for massage therapy and the length of treatment.
- Child orthodontia is eligible. Adult orthodontia is eligible except for cosmetic purposes.



Dependent Care Reimbursement

- Dependent care must be necessary for a single parent or a married couple to work, while at school or to look for a job. It must also be for day care purposes only. Educational programs are not eligible; therefore, kindergarten is not an allowable expenditure. Remember, the child(ren) must be under the age of 13 years. Partial year qualifications do apply (i.e. if the child turns 13 on July 15, you can count dependent care expenses through July 14).
- Remember to attach Form 2441 to your Form 1040 when filing your taxes.
- Documentation to support the reimbursement request must include the date(s) of service and the provider's name and tax identification number.
- The primary purpose of expenses for care of a qualifying individual must be to assure his or her well-being and protection. Expenses for food, clothing, and education are not considered eligible.
- Overnight camps are not an eligible expense.
- Remember, the dependent care account is not a pre-funded account, so money must be in the account in order to reimburse the participant.

Sources include excerpts from the Employee Benefits Institute of America LLC and publications from annual meeting of the ECFC Symposium.