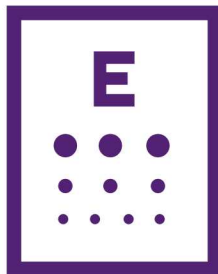


LIMITED PURPOSE FLEXIBLE SPENDING ACCOUNTS (LPFSAs):

# A SIMPLE way to SAVE



## How LPFSAs work

Limited purpose flexible spending accounts (LPFSAs) allow you to contribute pre-tax dollars to use for eligible vision and dental expenses. By contributing to an LPFSA in addition to your health savings account (HSA), you can maximize your pre-tax contributions.

### 1. SIGN UP

During your employer's annual enrollment, sign up to participate in an LPFSA and determine the amount you would like to contribute to your LPFSA throughout the year to pay for qualified expenses.

### 2. CONTRIBUTE

Your employer will arrange to have the elected amount of your pre-tax earnings contributed to your LPFSA. The amount withheld from your paycheck is equal each pay period. The full amount that you choose to contribute to your LPFSA throughout the plan year will be available for you to use beginning on the first day of the plan year.

### 3. USE YOUR FUNDS

When you incur a qualified expense, you can either pay with the Blue Cross and Blue Shield of Michigan Flexible Spending Account Visa® debit card\* provided or submit the expenses through HealthEquity's online tool for reimbursement. Remember to save all receipts; you will need them for reimbursements and to validate your expenses.



A nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association

HealthEquity®

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Draper, UT 84020 | [www.HealthEquity.com](http://www.HealthEquity.com)

\* This card is issued by The Bancorp Bank, pursuant to a license from U.S.A. Inc. Your card can be used everywhere Visa debit cards are accepted for qualified expenses. This card cannot be used at ATMs and you cannot get cash back, and cannot be used at gas stations, restaurants, or other establishments not health related. See Cardholder Agreement for complete usage restrictions.

Nothing in this communication is intended as legal, tax, financial or medical advice. Always consult a professional when making life changing decisions. In addition to restrictions imposed by law, your employer may limit what expenses are eligible for reimbursements. It is the member's responsibility to ensure eligibility requirements as well as if they are eligible for the plan and expenses submitted. One should consult a tax advisor as individual factors and situations vary. Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association. HealthEquity, Inc. is an independent company supporting Blue Cross Blue Shield of Michigan by providing health care spending account administration services.  
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# DENTAL

## Eligible expenses:<sup>1</sup>

- Artificial teeth
- Coinsurance & deductibles
- Dental implants are eligible if the primary purpose is to treat or correct an existing dental condition that meaningfully promotes the proper function of the body and/or is not for cosmetic reasons
- Dental treatment including fees for X-Rays, fillings, braces, extractions, dentures, etc.
- Expenses in excess of an insurance plan's usual, customary reasonable charges
- Fluoridation device
- Occlusal guards to prevent teeth grinding
- Orthodontia including fees associated with maintenance work in the year payments are made

## Ineligible expenses:<sup>1</sup>

- Dental Implants are not eligible if the primary purpose is cosmetic.
- Toothbrushes, dental floss, toothpaste
- Teeth whitening/bleaching may be eligible if prescribed by a physician to treat a congenital abnormality, disfiguring disease, or treatment resulting from personal injury from an accident or trauma

# VISION

## Eligible expenses:<sup>1</sup>

- Contact lenses and related materials and equipment (i.e. saline solution, and cleaners)
- Eye examinations eyeglasses and related materials and equipment prescribed by a physician for medical purposes
- Laser eye surgery including Lasik and Radial Keratotomy
- Optometrist/Ophthalmologist
- Reading glasses
- Prescription sunglasses

## Ineligible expenses:<sup>1</sup>

- Non-prescription sunglasses

## Use it or lose it

FSAs are generally use it or lose it plans. This means that amounts in the LPFSA at the end of the plan year generally cannot be carried over to the next year. However, the plan can provide for either a grace period or a carryover. Additionally, if an account holder leaves an employer or retires, unused funds are forfeited. For more details, see IRS publication 969 or consult a tax advisor.

## Limited carryover

Some plans may allow up to \$500 of unused LPFSA funds remaining at the end of a plan year to be carried over to the next year. Ask your benefits team for details about your plan's LPFSA carryover and/or grace period policy.

For more information, call  
**877.284.9840**



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<sup>1</sup>This list is not comprehensive. For additional information, call HealthEquity at 877.284.9840.  
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