

Flexible Spending Account (FSA) & Health Savings Account (HSA)

The IRS mandates that you cannot have a Flexible Spending Account (FSA) and a Health Savings Account (HSA) at the same time. Only employees that are enrolled in the medical High Deductible Health Plan (HDHP) are eligible for an HSA. Contributions to both plans are pre-tax dollars .

Example Only

The FSA



year). The debit card cannot be used for daycare reimbursements.

NOTE Only medicines that are prescribed by a physician with a written prescription will be allowed as a qualified expense. Eligible OTC items without a prescription include diabetes items (lancets, test strips, glucose meters and tablets, syringes and needles, and other supplies), bandages, contact lens solution, and denture bond.

Reimbursement options are by check, direct deposit or debit card.

Paylocity will issue a debit card. 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. **The annual service**