



Flex Spending Accounts: Open Enrollment



Police Officer CORINA LEE, Vice President

Last month, I discussed in great detail the positive benefits to our membership regarding the Health Care Flexible Spending Account (HCFSA) and Dependent Care Reimbursement Account (DCRA). The annual open enrollment for these benefits will be from October 1 to October 31, 2011. It has never been easier to enroll. Enrollment can be done online from any computer with Internet access, and it only takes a few minutes. Go to www.myflexla.com and follow the steps. *Members must re-enroll every year during the open enrollment period, even if you are currently participating in one or both of the accounts.*

Health Care Flexible Spending Account summary

You can enroll in the HCFSA to set aside **pre-tax** dollars from your paycheck to cover eligible health care expenses. The money put into the accounts is subtracted from your gross income and is not taxed.

If you enroll in one or both accounts, a \$2.25 administrative fee will be automatically deducted from your paycheck each pay period.

How much can you set aside?

You can set aside \$300 to \$4,992 annually. Your contributions are deducted from your paycheck each pay period.

Eligible health expenses

The FSA can be used to cover eligible health care expenses, including services and products that are medically necessary to treat a specific condition, such as:

Acupuncture

Hearing aids

Chiropractic services

Laser eye surgery

Orthodontia

Eye exams, eyeglasses

Copayments, coinsurance and deductibles you pay out of pocket for medical, prescription drug, dental and vision care

Over-the-counter medications with a doctor's prescription, and insulin

Make sure account funds are spent only on those who are eligible.

Typically, this includes you, your spouse and your legal dependents.

Keep track of your FSA account balance

Plan ahead to make sure you spend the full amount before your plan year ends — otherwise, you'll forfeit the remaining balance. Use it or lose it.

FSA debit card

When you enroll in the program, you will receive a WageWorks (vendor) debit card to use for eligible health care expenses at any provider or retailer that accepts debit cards. If you pay for health care expenses out of pocket, you can get reimbursed for the eligible expenses by filing a claim online or by faxing it to WageWorks.

Here are a few examples from the FSA Savings Estimate that show how you can save thousands of dollars.

Dependent Care Reimbursement Account summary

You can enroll in the DCRA to set aside pre-tax dollars from your paycheck to cover eligible dependent care expenses. The money put into the account is subtracted from your gross income and is not taxed.

Eligible dependent care reimbursement expenses

The DCRA can be used to cover eligible expenses for day care and after-school child care programs. Children under the age of 13 and/or disabled dependents qualify.

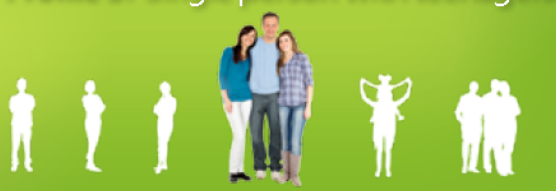
More information about the program is available in the Flex Enrollment Guide, page 36, at www.myflexla.com/flash/flipbook.htm or www.wageworks.com.

The HCFSA and DCRA use the same tax benefits as deferred compensation does, and that is putting pre-taxed dollars aside, giving members more money in their pockets.

If you have any questions, I can be reached at (213) 792-1089 or corinalee@lappi.org. Don't wait! The time to enroll is now. Be safe.

FSA Savings Estimate

Profile 3: Single person with teenagers.




Open a WageWorks Flexible Spending Account (FSA) and good things happen for you and your family. You can save up to 40% on eligible out-of-pocket health care expenses. See the chart below for average savings for a family with teenagers.

Health Care FSA

Estimated eligible expenses	Annual average
Doctor visits	\$778
Prescription co-payments	\$1,020
Dental expenses	\$473
Orthodontia (braces)	\$2,000
Vision care including eyeglasses	\$131
Suggested plan year election	= \$4,402
Taxes (40%*)	40%
Estimated savings*	= \$1,761

You may not have any dependent care expenses right now. But it's good to know that WageWorks Dependent Care FSAs are available to help with child and senior care expenses in the future.

Profile 4: Couple with elder dependent.



Open a WageWorks Flexible Spending Account (FSA) and good things happen for a family with a senior dependent. You can save up to 40% on eligible out-of-pocket health and dependent care expenses. See the chart below for average savings for a couple with an elder dependent.

Health Care FSA

Estimated eligible expenses	Annual average
Doctor visits	\$2,393
Prescription co-payments	\$1,568
Dental expenses	\$1,455
Orthodontia (braces)	\$0
Vision care including eyeglasses	\$404
Suggested plan year election	= \$5,820
Taxes (40%*)	40%
Estimated savings*	= \$2,328


Dependent Care FSA


Eligible expenses are while you are at work.

Transportation to eligible care (billed by provider)	\$1,000
Senior day care	\$1,750
Senior care at home	\$1,150
Suggested plan year election	= \$3,900
Taxes (40%*)	40%
Estimated savings*	= \$1,560

Sign up for your FSA at open enrollment.

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