

# Maximize your take-home income with a Flexible Spending Account



Your flexible spending account (FSA) through Blue Cross & Blue Shield of Rhode Island (BCBSRI) allows you to pay for qualified expenses such as healthcare, dependent care, and commuter services with pre-tax dollars. Since taxes are not deducted from your FSA payroll contributions, you'll pay less in federal, state, and FICA taxes—which means more take-home pay!

With an FSA, you benefit from the following:

- The money you put in may reduce your taxable income;
- Taxes aren't deducted, so you get more spending power when you pay for qualified expenses

Increase your take-home income*	Not enrolled in an FSA	Enrolled in an FSA	Benefits
Pre-tax annual income	\$38,000	\$38,000	
FSA contribution	\$0	-\$500	FSA funded by pre-tax dollars
Annual taxable income	\$38,000	\$37,500	
Federal, state & FICA	\$10,127	\$9,994	Pay less in taxes
Out-of-pocket medical expenses	\$500	\$0	Out-of-pocket medical expenses paid by pre-tax dollars in your FSA
Take-home annual income	\$27,373	\$27,506	Take home income increases by \$133

## Here's how it works

### Log in to your FSA account

- Go to [bcbsri.wealthcareportal.com](http://bcbsri.wealthcareportal.com) and click LOGIN at the upper right corner of the page.
- Explore FSA tools and resources online
  - View your account
  - Calculate your savings
  - Learn how to use your FSA

### Make payments

- FSA debit card
- Submit claims
- Paper submission

### Download BlueSolutions mobile app

Manage your FSA account on the go.  
Find details at your FSA account online.





## [Learn about eligible/ineligible expenses\\*](#)

### Healthcare

#### **Eligible expenses:**

Ambulance  
Artificial Limb or Prosthesis  
Birth Control  
Braces  
Chemical Dependency Treatment  
Chiropractors  
Copays  
Contact Lenses  
Deductibles  
Dental Expenses  
Diagnostic/Lab Fees  
Eyeglasses

Eye Surgery  
Hearing Aids  
Hospital Services  
Physician Fees  
Prescription Drugs  
Smoking Cessation Programs  
Transplants  
Weight Loss Program

#### **Ineligible expenses:**

Cosmetic surgery  
Deodorant

Electrolysis hair removal  
Funeral expenses  
Health club dues  
Medicated shampoo & soap  
Multivitamins  
Non-prescription medicines, like cold and flu pills (unless prescribed by a doctor)  
Teeth whiteners  
Tissues  
Toiletries

### Dependent Care

#### **Eligible expenses:**

Child day care programs  
Before and after school programs

Home care (care giver cannot be spouse or dependent and is 19 years of age)

Funeral expenses  
Nursery school program

### Commuter

#### **Eligible expenses:**

Bus vouchers and passes used to commute to and from work  
Carpooling in a "commuter highway vehicle" to and from work

Ferry passes used to commute to and from work  
Work-related parking

#### **Ineligible expenses:**

Mass transit and parking costs not associated with the commute to and from work

\*This list is for illustrative purposes and is not a complete list of all eligible and ineligible expenses. Please see IRS Publication 502 for a more detailed and accurate listing of qualified healthcare expenses.

This communication is not intended as legal or tax advice. Please contact a legal or tax professional for personal advice on FSA eligibility, tax treatment, and restrictions.