

Flexible Spending Account Grace Period

Extend Spending Time for Your FSA

Time has been stretched. A Grace Period provides you with an extra 2 1/2 months to spend last year's money. Now you have longer to spend the money you put in last year's Flexible Spending Account but haven't claimed.



Here's How It Works

During the Grace Period you may submit claims for last year's expenses as well as from the new plan year. All these claims will be paid from last year's money until it is gone or the Grace Period is over.

For example, imagine that you have \$100 left in your FSA on the last day of the plan year. Early in the new plan year, you receive a bill for \$50 from your dentist for services received last year and a bill for \$350 from an urgent care for services received this year. The two bills total \$400. The plan pays both claims as shown.



The Chard Snyder Mobile App

Features

- View account balances and transaction details
- Submit and review claims
- Upload paperwork
- Scan products for eligibility
(Plan restrictions may apply)

Download from the App Store or Google Play



IRS Rules



The Grace period begins on the first day of the new plan year and ends 2 1/2 months later.

You must spend and claim your money within your company's plan deadlines. Once you claim an expense you may not claim it again on your annual taxes.

The IRS requires proof each claim is for an eligible expense. You may be asked to send us a copy of your receipt, itemized statement, or Explanation of Benefits (EOB) showing:

- Who the expense was for
- The date of the expense (during the plan year)
- A description of the item or service
- The name of the store or provider
- The amount you owed after insurance

If you don't have an itemized receipt, contact the provider or your insurance company and request a copy of the receipt or Explanation of Benefits.

Only eligible expenses can be reimbursed - The IRS does not allow us to pay claims for doctor's retainer fees, medical services before they are provided (such as your expected costs as shown on dental estimates) or cosmetic procedures.

There is no reporting requirement at tax time.



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*The dates of your plan's Grace period is described in the plan documents.

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