HEALTH CARE FLEXIBLE SPENDING ACCOUNT
CARRY OVER PROVISION

The Flexible Spending Account (FSA) rules have changed. The State of Rhode Island FSA plan will now allow up to $500 of unused Health Care FSA dollars to be carried over to the following plan year. This change is effective beginning with the plan year starting on July 1, 2014.

So for those of you who may have been hesitant to participate because of the "use-it-or-lose-it rule" now may be the time to reconsider your options!

How does this change affect your plan?

- Up to $500 of unused Health Care FSA dollars for a plan year may be carried over to the following plan year.

- The carry over amount allowed does not affect your ability to elect the maximum $2,500 annual election allowed each plan year for the Health Care FSA. For example, if you elect $2,500 for the plan year, and have $500 of unused funds carried over at the end of the year, the carry over balance would be added to next year's election giving you a total annual election possibility of up to $3,000.

- You do not have to re-enroll in the new plan year to have unused Health Care FSA dollars carry over to a new plan year.