FA

Open Enrollment
Effective Date 1/1/23

University of Michigan

2023 Flexible Spending Account Deduction Authorization Form

For All Eligible Faculty and Staff Members.

Please use this form to make your elections for 2023. Print all information in **black** ink. Return your completed and signed form to SSC Benefits Transactions by **December 31, 2022**. These elections remain in effect through December 31, 2023 unless you experience a qualified family status change. **You must enroll in a Flexible Spending Account each year if you wish to participate.** IRS rules do not allow FSA enrollments to carry over from one year to the next. In order to receive your PayFlex card in January, return this form by November 30, 2022.

1. Faculty or Staff Member Information

Name (Last, First, Middle Initial)			UMID	U.S. Social Security Number (If UMID is unknown)
Street Address		City, State, Zip		Home Phone Number
Title	I am paid: ☐ bi-weekly ☐ monthly	Email Address		Daytime Phone Number

2. Annual Deduction Amounts

- Be sure the correct annual election amount is entered under each type of account. Inaccurate estimates of expenses may cause you to forfeit money.
- Funds cannot be transferred between dependent care and health care accounts or from one spouse to another.
- For additional information, see the Universtiy Human Resources website at hr.umich.edu/flexible-spending-accounts

☐ **Health Care Flexible Spending Account**
Covers eligible health care expenses for you and your eligible dependents. For information on eligible expenses, view the Health Care Flexible Spending Accounts information at hr.umich.edu/health-care-fsa. Only eligible expenses incurred on or after January 1, 2023 through March 15, 2024 are reimburs-able. You may contribute from **$120** up to **$2,850** per year to a Health Care FSA.

Total annual amount you want to contribute to a Health Care FSA for 2023 $_____

☐ **Dependent Care Flexible Spending Account**
Covers eligible dependent daycare expenses so you can work or go to school full time. For information on eligible dependent daycare expenses, view the Dependent Care Flexible Spending Accounts information at hr.umich.edu/dependent-care-fsa. Only expenses incurred on or after January 1, 2023 through March 15, 2024 are reimbursable. You may contribute from **$120** up to a possible family maximum of **$5,000** per year to a Dependent Care FSA. Highly compensated staff are limited to $3,600 per year. For more on IRS limits, view hr.umich.edu/fsa-eligibility-enrollment.

Total annual amount you want to contribute to a Dependent Care FSA for 2023 $_____

Is your spouse also employed by U-M? If yes, spouse's name _____

Spouse's SSN _____ Spouse's UMID _____

3. Flexible Spending Account Participants Release of Liability

I release the University of Michigan and its Flexible Spending Accounts claims processor, PayFlex, from any liability incurred if I submit ineligible expenses for reimbursement or if I fail to follow the regulations for the Flexible Spending Account. I have read the Flexible Spending Accounts plan book available from the hr.umich.edu website and understand the agreement and confirmation set out on the second page of this form concerning Flexible Spending Accounts.

I authorize the University of Michigan to make the above pretax deductions on a monthly or bi-weekly basis, as appropriate, to fund my 2023 Flexible Spending Account(s) for health care expenses and/or dependent care expenses.

I certify that the PayFlex debit card will only be used for eligible medical care expenses for myself and my eligible dependents.

Only eligible expenses incurred on or after January 1, 2023 through March 15, 2024 are eligible for reimbursement from your 2023 FSA.

_____ _____
Signature of Faculty or Staff Member Date Signed

University of Michigan

2023 Flexible Spending Account Deduction Authorization Form

Agreement and Confirmation

By my signature on the Flexible Spending Account Authorization Form, I confirm that I understand and agree to the following requirements of participation in a Flexible Spending Account.

Annual Contribution Amounts

1. There are minimum and maximum amounts that can be contributed to the Flexible Spending Accounts each year. For a Health Care FSA, the minimum annual contribution is $120 and the maximum is $2,850. You and your spouse may each open a Health Care FSA, however, you cannot file claims for the same expenses on both accounts. For example, if your spouse claims your expenses under his or her FSA, then you can't also claim them under your FSA.

   The Dependent Care FSA contribution limit is per household. The minimum annual contribution is $120 and the maximum is up to $5,000 ($2,500 if married and filing separately). Keep in mind, this amount may be less based on your family gross earnings and tax filing status. See "Special Limits for Highly Compensated Faculty and Staff" below for information on IRS rules that may impact your Dependent Care FSA contribution amount.

   Visit the PayFlex website at payflex.com for help estimating your eligible annual expenses and determining how much to contribute to a Health Care FSA and/or a Dependent Care FSA,

Deductions

2. Deductions will occur over 12 paychecks for faculty and staff members paid monthly, and over 24 paychecks for staff members paid bi-weekly. Deductions for mid-year enrollments will be based on the number of paychecks remaining in the calendar year after the effective date. Deductions cannot be taken from stipend or fellowship funds. No deductions will be taken during periods such as a leave when the enrollee is not receiving a salary from the university.

3. Deductions cannot be changed or canceled during the year unless a qualified family status change occurs (marriage, divorce, birth of baby, etc.) in which event the coverage change must be consistent with the change in status. If such a change occurs, the participant must provide documentation of the change by submitting a Health Care FSA and/or Dependent Care FSA Request for Change in Status form to SSC Benefits Transactions within 30 days of the event. Otherwise, the change cannot be made until the next Open Enrollment period.

4. Changes in deduction amounts will be effective the first day of the month following the receipt of the authorization form or date of eligibility, whichever is later. For example, assume that you enroll in a Health Care FSA to begin on January 1 and designate an annual contribution amount of $300. Then, on April 1 you increase the annual contribution amount to $1,000 due to a family status change. Between January 1 and March 31, $300 is available for incurred expenses. Any expenses incurred after April 1 are eligible for reimbursement up to $1,000, assuming no claims were previously filed.

Claims

5. Eligible expenses incurred on or after the effective date of coverage through March 15 of the following year can be claimed for reimbursement. Duplicate reimbursement is not allowed. That is, expenses cannot be reimbursed by another source (such as a health insurance plan) or taken as an income tax deduction and reimbursed under a flexible spending account.

6. Be sure to sign your claim form. PayFlex will not process a claim if the form does not include your signature.

7. A claim form for reimbursement from a Health Care Flexible Spending Account must be accompanied by an itemized receipt and/or an Explanation of Benefits (EOB) form. An EOB form is provided by the health insurance company after a claim is filed. HMOs do not provide EOB forms. Participants who are enrolled in an HMO should submit an original itemized bill to document expenses.

8. For Health Care FSA expenses not covered by health care plans, reimbursement requests will not be processed without acceptable evidence of your expenses. PayFlex/HealthHub will not accept cancelled checks in lieu of a bill or receipt. Receipts must include the type of service, date expense was incurred, patient's name, name of the provider of service, and amount of expense. Statements showing only previous balances, or the amounts paid or balances due are not acceptable documentation.

9. You can fax your claims forms to PayFlex using the toll-free fax number, (855) 703-5305, for the exclusive use of U-M FSA participants. Keep a copy of the fax transmission report as documentation the fax was successfully transmitted and received by PayFlex.

10. Keep a copy for your personal files for all documentation submitted to PayFlex. Bills or receipts cannot be returned.

11. Flexible Spending Account claims received by PayFlex, claims processor for the university's FSA accounts, will generally be reimbursed within 15 business days from the date PayFlex receives your claim form. Dependent care reimbursements will not exceed the balance in the account as of the first of that month.

12. Funds cannot be transferred between the two types of accounts. Participation cannot be transferred to a spouse.

13. All eligible claims must be submitted to PayFlex by the cutoff date, May 31 of the following year. Any funds that remain in the accounts as of June 1 following the plan year will be forfeited in accordance with IRS regulations. There are no exceptions to this rule. In accordance with IRS regulations, the university uses forfeited funds to pay administrative costs of the FSA program.

Special Limits for Highly Compensated Faculty and Staff

14. The IRS allows pre-tax contributions to an FSA as long as the plan does not favor highly compensated employees (HCE) as defined by the IRS. You are considered "highly compensated" if you had family gross earnings of $135,000 or more in the prior calendar year. In accordance with IRS regulations against discrimination, the Benefits Office examines FSA plans each year to ensure that they do not disproportionately benefit employees the IRS considers "highly compensated." The Benefits Office determines the amount that can be contributed to a Dependent Care FSA by an HCE at the beginning of each year ($3,600), but if at any time during the year that ratio is not being met, the university will reduce contributions made by participants whose family gross earnings are $135,000 or more to ensure compliance with IRS rules. If you are an HCE, your deduction may not exceed $3,600 per family for a married couple filing jointly, or for a single parent. For an HCE married person filing separately the limit is $2,500. If a Dependent Care FSA fails the nondiscrimination test, highly-compensated employees will be taxed on all of the dependent care assistance benefits they received during the calendar year. Employees who are not highly compensated are not affected by this rule.

General

15. This agreement expires no later than December 31 of the plan year. A new agreement is required each year.

HUMAN RESOURCES
BENEFITS OFFICE
UNIVERSITY OF MICHIGAN

Questions?

If you have questions, view hr.umich.edu/benefits-wellness or call the SSC Contact Center at 734-615-2000 or 866-647-7657 (toll free for off-campus long-distance calls within the U.S.) Monday - Friday from 8 a.m - 5 p.m.

How to Return Your Signed and Completed Form

Return your form by fax or mail. Wolverine Tower is closed during the COVID-19 pandemic.
No walk-in service is available.

By FAX

Fax it to 734-763-0363.
Keep a copy of the fax transmission report with your form in your records.

By Mail Only

Make a copy for your records and send the original by U.S. Mail to:
SSC Benefits Transactions
Wolverine Tower
3003 South State Street
Ann Arbor, MI 48109-1276

Receipt Confirmation

A confirmation email will be sent to your UMICH email address within 72 hours of receipt of your form.