

## Tired of rising healthcare costs? Put the power of healthcare savings into your own hands.

Flexible Spending Accounts, or FSAs, are a great way for you to take advantage of a pre-tax benefit account offered through your employer. These accounts are a simple way for you to save on out-of-pocket healthcare costs not covered by your insurance plan. With healthcare costs continuing to rise, why wouldn't you participate in an FSA?



By taking advantage of your FSA, you can:

- Reduce your taxes
- Increase your take-home pay
- Pay for rising healthcare expenses with pre-tax dollars

For more information, contact your plan administrator or human resources department. You can also visit [fsaandyou.com](http://fsaandyou.com) to learn more about FSA basics and use the FSA calculator to help you decide how much to contribute to your plan.

## StirlingBenefits™

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# FSA's

simply  
beneficial

Still unsure about FSAs?  
Take a look inside.



An FSA can be used for healthcare costs, such as doctor co-pays, LASIK surgery, eyeglasses, contact lenses, orthodontics, eligible over-the-counter products\*, prescriptions and much more.



Here's another way to look at an FSA: by setting aside healthcare funds pre-tax, you can increase your savings and ultimately your spending power. Below is an example of the tax savings you could enjoy by taking advantage of an FSA.

	With an FSA	Without an FSA
Annual Salary Before Taxes	\$30,000	\$30,000
FSA Contribution	- 1,500	0
Taxable Income	\$28,500	\$30,000
Less Taxes		
- Federal Income Tax* (estimate 15%)		
- FICA 7.65%	- 6,455	- 6,795
Less Healthcare Expenses	0	- 1,500
Take-Home Pay	22,045	21,705
<b>Tax Savings</b>	<b>\$340</b>	<b>\$0</b>

\* If your federal income tax rate is higher than 15 percent or if you pay state or local income taxes, you can save even more!

#### Savings and convenience

Although your FSA will be deducted through your payroll, you'll have access to your entire FSA contribution on the first day of your plan. That means you can cover all your healthcare costs without waiting to accumulate funds throughout the year.

You can also plan for large healthcare expenditures, like surgery, because you choose how much to put into your FSA account. In addition, some employers may offer a plan extension that allows you to continue to spend unused FSA funds for an additional period of time after the plan year ends.

#### Instant access and no paperwork.

Of course, not all FSAs are created equal. Yours, for instance, is accessed via the Benefits Card MasterCard®, provided by your employer. The Benefits Card lets you pay for eligible healthcare expenses virtually everywhere Debit MasterCard® cards are accepted.



The Benefits Card makes using your FSA dollars simple and easy. The card deducts each payment directly from your FSA account. So it's as convenient as using an ordinary credit card. What's more, the Benefits Card virtually eliminates the endless paperwork and reimbursement wait time that used to make FSAs so complex and cumbersome. All you have to do is save receipts for all your FSA purchases in the event they are requested by your plan administrator.

In many cases you won't have to send in a receipt, because with the Benefits Card, your purchases will be auto-substantiated at thousands of retailer locations nationwide.\* Because they have an Inventory Information Approval System (IIAS) in place, these retailers will know instantly which items you purchase are eligible FSA purchases. With one swipe of your benefits card, approved purchases will be authorized and debited from your FSA account. You will be asked to remit another form of payment for the non-eligible items. For optimal convenience, your Benefits Card offers 24/7/365 online access, so you can check your account balance and other vital information with a single click.

To learn more about the benefits of FSAs and the Benefits Card, simply ask your employer. Once you know the facts, you'll discover that FSAs and the Benefits Card spell real savings.

\* For a complete list of retailers, contact your benefits administrator.

Your Benefits Card provides instant access to your FSA dollars at the physician's office, emergency room, dentist, pharmacy and other eligible locations. The Benefits Card is fast, convenient, secure and simple to use. So sign up today and look for your Benefits Card in the mail.

Stretch your money further. Use your FSA dollars to purchase eligible over-the-counter products that you use every day – it's simple!

Let's start with the definition of an FSA. Quite simply, it stands for Flexible Spending Account and it can be an indispensable part of your overall benefits program.

Here's how it works. An FSA is an account your employer sets up so you can pay for a variety of healthcare needs, like insurance co-pays, deductibles, specific over-the-counter healthcare products and even some dental and vision-care costs. But here's the best part: your FSA is funded entirely by your pre-tax income. So you can save money and offset rising healthcare costs. And the more dependents you have, the greater your savings!

\* Effective January 1, 2011, over-the-counter medicines and drugs that are not prescribed by a physician will not qualify as a medical expense under IRS Code Section 213(d).

FSA popularity is in dollars and sense. A remarkable \$20 billion is put into FSA accounts annually by employees just like you.