

Flexible Spending Accounts

A Smart Investment for Your Employees

All Blue Cross & Blue Shield of Rhode Island (BCBSRI) health plans can be conveniently paired with a flexible spending account (FSA), which is a valuable financial tool your employees can use to manage their healthcare costs.

With a tax-advantaged FSA, your employees use pre-tax funds to pay for many **eligible medical and dental expenses**. This automatically saves them money, since they're using pre-tax dollars to pay for these services. And by reducing their out-of-pocket costs, they benefit from lower overall healthcare costs.

An FSA also provides flexibility. In addition to medical and dental expenses, your employees can use the money in their FSA to pay for:

- Dependent care services like daycare for children or adults who are dependents
- Vision hardware (eyeglasses, contacts, etc.)
- Over-the-counter medications with a prescription as well as medical items like bandages and crutches
- Transportation and parking expenses



With BCBSRI, Your Employees' FSAs Will Also Be Simple to Manage

They can access their FSA by simply logging into their account through mywealthcareonline.com/bcbsri, where they can:

- Check their current FSA balance and transaction history
- Schedule a contribution and direct deposits
- Submit claims online
- Utilize a tax-savings calculator and eligible-expense finder
- And more



To learn more about our FSA, please talk to your BCBSRI account representative or broker.

Delivering Value to Your Employees			
	Not Enrolled in a FSA	Enrolled in a FSA	Benefits
Before - Tax Annual Income:	\$38,000	\$38,000	
FSA Contribution	\$0	-\$500	FSA funded by pre-tax dollars
Taxable Annual Income:	\$38,000	\$37,500	
Federal Income Tax (15%)	-\$5,700	-\$5,625	Pay less in Federal Income Tax
State Income Tax (4%)	-\$1,520	-\$1,500	Pay less in State Income Tax
FICA Tax (7.65%)	-\$2,907	-\$2,869	Pay less in FICA Tax
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 increased by \$133

* Illustration is just an example. Incomes, contributions, and taxes will vary by individual and state.

Less taxes are taken out of the employee's paycheck since the employee's taxable income decreases; therefore their take-home income increases.