



You can really Benefit from an FSA!

The Marine Corps Nonappropriated Fund (NAF) Flexible Spending Accounts (FSA) for eligible NAF employees will be entering into its 5th year in 2013. We are pleased to provide updated FSA material, available at your NAF Human Resource Office for you to review and consider enrolling (or re-enrolling) during the open enrollment opportunity. FSA Plans provide you a great way to manage out-of-pocket medical expenses or day care expenses while saving on taxes at the same time.

FSA Basics

Flexible Spending Accounts let you set aside money on a pre-tax basis to reimburse yourself for certain health care and dependent care expenses. There are two types of Flexible Spending Accounts:

Health Care FSA: Effective January 1, 2013, you can set aside up to \$2,500 per year in your Health Care FSA to reimburse eligible medical, dental and vision expenses that aren't covered by your medical plan (including co-pays, coinsurance, deductibles and eligible over-the-counter items*) for yourself and eligible dependents (which includes eligible adult children up to age 26, as required by the Patient Protection Act (P.L. 111-148) as amended by the Health Care and Education Reconciliation Act (P.L. 111-152). This deferral limit is an IRS established maximum.

Dependent Care FSA: You can set aside up to \$5,000 per year in a Dependent Care FSA to reimburse expenses for child or adult day care services that you need because you work. If you file a separate tax return from your spouse, the maximum reimbursement is \$2,500 for each of you. You may want to talk with your tax advisor about the tax benefit of this plan.

Some employees, deemed "highly compensated" may be restricted in the amount they are able to defer to the Dependent Care FSA as a result of mandatory non-discrimination testing.

You can enroll in one or both FSAs during Open Enrollment (November 5 to November 30) by logging into PeopleSoft Self-Service or by using the FSA election form available at your Human Resources Office or online at Crossroads. If you use the paper form, **bring your completed enrollment form to your local Human Resources Office no later than November 30, 2012.** Your enrollment election will take effect on January 1, 2013 and stay in effect through the end of the year. You may only change your enrollment election if you have an eligible change in family status (such as marriage or the birth of a child).

Important FSA Facts

- All regular full-time and regular part-time non-appropriated fund employees are eligible.
- You must enroll each year to participate in one or both Flexible Spending Accounts. Participation does not continue from one year to another.
- You can enroll in just one FSA, both FSAs or none at all. It's an entirely voluntary benefit, so it's your choice.
- You aren't required to be enrolled in a NAF medical plan to enroll in a Flexible Spending Account
- FSA Contributions are automatically deducted from your pay before taxes are withheld. This reduces your taxable income and the amount of federal, state and local taxes (as applicable) you pay.
- If you terminate employment with MCCS, and are rehired as regular full time, or regular part time, you will automatically be re-enrolled into the FSA plan that you were enrolled in prior to termination. The bi-weekly contribution will be based on the initial annual election amount.
- Use it or lose it. When you enroll, be sure to estimate your expenses for the upcoming year carefully. Any unreimbursed funds left in your FSA at the end of the plan year must be forfeited. Use the calculator tool on www.aetnafsa.com to help you estimate your expenses.
- You have until February 15th to submit for reimbursement for charges incurred by 31 December of the prior year.

Learn More

More Information is available online at www.aetnafsa.com. You may also view an online presentation at www.brainshark.com/cfs/FSAHealthCareDepCare for Health Care and Dependent Care Spending Accounts. If you have any questions, please call Aetna FSA at 1-800-416-7053.

Also learn more about the FSA plans at www.usmc-mccs.org or www.aetnafsa.com

PeopleSoft Self-Service:

At Work: <https://hrms.usmc-mccs.org/psp/hprd/?cmd=login&languageCd=ENG&>

At Home: <https://hrms-sslvpn.usmc-mccs.org/>

**We hope you'll take advantage of this valuable NAF benefit in 2013
and save on both Health and Dependent Care Expenses.**

*A doctor's prescription will be required for certain over-the-counter medicines (this restriction does not apply to insulin).