

**FLEXIBLE BENEFITS CARRYOVER  
INFORMATION 2019**



**M.A. Services**

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On October 31, 2013 The Treasury Department issued Notice 2013-71 which set forth an Amendment to the "use-or-lose" rule for Health Flexible Spending Arrangements. This Amendment change now allows for an employee to carry over up to \$500.00 of unused Health FSA amounts remaining at the end of a Plan Year to reimburse medical expenses incurred during the following Plan Year. Please read the following information carefully, as it includes important information regarding the recent changes to your Flexible Benefits Plan:

- **Carry over up to \$500.00 of unused (after the run-out period) Health FSA amounts remaining in your 2018 account to reimburse expenses incurred during the 2019 plan year\***
- **Your carry over balance will not show up on your balance report until after the end of the run-out period for the 2018 plan year.**
- **Unused amounts relating to a Health FSA may not be cashed out or converted to any other taxable or nontaxable benefit.**
- **The amount that may be carried over to the following plan year is equal to the lesser of (1) any unused amounts from 2018 or (2) \$500.00.**
- **Any unused amount more than \$500.00 that remains unused as of the end of the plan year (the end of the run-out period for the 2018 plan year) will be forfeited.**
- **Any unused amount remaining in an employee's Health FSA as of termination of employment will also be forfeited (unless applicable cobra continuation coverage is elected with respect to the Health FSA)**
- **Any unused amount remaining in an employee's 2018 Health FSA upon the end of the plan year will be forfeited with no cobra rights unless that employee files a new enrollment form for the 2019 plan year.**
- **The annual contribution limit is not affected by the carryover amount.**

*\*Participants are REQUIRED to enroll in the following plan year to access the carry over amount from the previous plan year\**