

Flexible Spending Accounts

LifeHouse offers employees the opportunity to participate in a Flexible Spending Program. The program offers three valuable benefits:

- Premium Account
- Medical Care Reimbursement Account
- Dependent Care Assistance Account

Premium Account

The Premium Account is available to all employees who have elected to enroll their dependents in the medical and dental programs. This program allows you to use pre-tax rather than after-tax dollars to pay for your share of employer-sponsored insurance premiums. This results in an increase to your take home pay since you will save federal, state and Social Security taxes on every dollar you pay for premiums.

Health Care Reimbursement Account

This account allows employees to use pre-tax dollars to pay for certain non-reimbursed medical care expenses. However, employees must plan carefully when electing to participate in this account since any funds remaining in the account at the end of the plan year will be forfeited.

In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill for the service provider. Amounts reimbursed may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Please note that expenses are "incurred" when services are performed, not necessarily when paid for.

Dependent Care Assistance Account

This account allows employees to use pre-tax dollars to pay day care expenses for dependent children and disabled adults (i.e., spouse, parent). The annual maximum contribution is \$5,000. As with the medical expense account, any funds remaining in the account at the end of the plan year will be forfeited.