

Health Care Flexible Spending Account (HCFSA)

Frequently Asked Questions

This guide answers some of the most frequently asked questions for the Health Care Flexible Spending Account (HCFSA). More resources are available on the [CU Benefits website](#), or you can contact a Benefits Professional by email at benefits@cu.edu, or by phone at 303-860-4200, option 3, during regular business hours.

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Health Care Flexible Spending Account

Q. When do I need to enroll in the HCFSA?

A. It depends on the event:

New Hire: You must enroll within 31 days from date of hire otherwise the next opportunity to enroll will be during Open Enrollment or if you experience a Qualifying Life Change. Your HCFSA will be effective on your benefits eligibility date.

During Open Enrollment: This is a three-week period during spring, which allows you to make changes to your benefits. You may enroll or re-enroll in the HCFSA for a July 1 effective date.

Qualifying Life Change event: Events such as having a newborn or getting married will allow you to enroll or make changes to your HCFSA. You must contact Employee Services within 31 days from the date of the Qualifying Life Change. Learn more on the [Qualifying Life Change website](#).

Q: What's the difference between an FSA and an HSA?

A: Both a Health Care Flexible Spending Account (FSA) and a Health Savings Account (HSA) allow you to set aside pre-tax money to pay for eligible healthcare expenses, but there are some important differences.

An FSA is available regardless of the medical plan you choose. You elect an annual contribution amount during enrollment, and your full election is available for use at the beginning of the plan year. However, FSAs are subject to a "use-it-or-lose-it" rule, meaning any unused funds may be forfeited at the end of the plan year.

An HSA is only available to employees enrolled in the High Deductible Health Plan (HDHP). Funds contributed to an HSA remain in the account year after year, allowing you to save for future healthcare expenses. The account is owned by you, so it stays with you even if you change employers or retire.

Tip: You cannot contribute to both a traditional Healthcare FSA and an HSA at the same time.

Q. How much do I need to contribute?

A. You should make your election by carefully examining your expected out of pocket health care expenses for the plan year. The HCFSA is regulated by the IRS. The IRS has designated it as a "use it or lose it" account, meaning expenses must be incurred and claimed within the designated period, or the monies will be forfeited.

Q. Can I change my election at any time?

A. No, your elections are irrevocable for the plan year (July 1 to June 30). You can only enroll or make changes to your elections during the enrollment period when newly eligible/new hire, during Open Enrollment or Qualifying Life Change event.

Q. Is there a list of eligible expenses?

A. Eligible health care expenses can be viewed by visiting our plan administrator [ASIFlex website](#) or [IRS Publication 502](#).

Q. How do I pay for my qualified medical expenses?

A. You can use your ASIFlex debit card at the time you access services, or you can file a claim online or by sending a claim form to ASIFlex via fax or regular mail. Supporting documentation is required. Please visit the [ASIFlex website](#) for instructions.

Q. Can I use my HCFSA to reimburse my spouse and children's medical expenses if they are not enrolled in my health insurance?

A. Yes, the HCFSA does not require your tax dependents to be covered by your health insurance plan. However, you cannot use these funds for non-qualified dependents such as domestic partners or their children.

Q. Can I use my HCFSA to reimburse previous year's medical expenses?

A. No, expenses must be incurred during the current plan year. The only exception to this rule may be orthodontics. Please contact ASIFlex for further information when filing a claim.



Q. What happens if I do not spend all the money?

A. You will lose the money that remains in your account. The IRS regulations require that HCFSA funds must be spent and claimed within the established deadlines, and do not allow employers to return the money to participants or to carry unused funds over the next plan year.

Q. Do I need to keep receipts when spending my HCFSA funds on qualified medical expenses?

A. Yes. We will notify you when supporting documentation is needed and you must submit receipts or statements identifying what service was provided, for whom, by whom and for what period of time.

Q. What happens if I switch jobs and leave CU or am laid off/furloughed?

A. You will have a specific amount of time during which you can submit claims that were incurred prior to your benefits termination date. However, you may be able to continue your HCFSA coverage under COBRA. Please contact our Employee Services for further information.

Q. Can I transfer money from my Health Care FSA (HCFSA) to my Dependent Care FSA (DCFSA)?

A. No, you can use funds only for the purpose for which the election was initially made. IRS regulations do not allow funds to be transferred or commingled between accounts. Therefore, the money in your Health Care FSA may only be used for health care expenses and your Dependent Care FSA may only pay for dependent care expenses.