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Health Care Flexible Spending Account [1]

Use a Health Care Flexible Spending Account (HCFSA HCFSA (Health Care Flexible Spending Account) Used to pay for health care expenses for you and your tax dependents, which your medical, dental and vision insurance plans do not cover such as deductibles, copays, coinsurance, prescriptions and other out-of-pocket expenses. [2]) to set aside pretax dollars to pay for qualifying medical, dental and vision expensesEligible ExpensePurchases or services received that are allowed by the benefit provider and complies with IRS regulations. [3] for you and your dependents.DependentAn employee's spouse, common-law spouse, civil union partner, domestic partner, children under the age of 27, and qualifying disabled children over age 27 of the employee or of the spouse/partner who are biological, legally adopted or for whom there are parental responsibility documents issued by a court. [4]

Limitations: You cannot participate in a HCFSA and a Health Savings Account (HSAHSA (Health Savings Account)A tax-savings account that must be paired with a High-Deductible Health Plan, which can be used to pay for qualified health care expenses now or in the future. An HSA is a savings account that you own. The funds in an HSA carry forward year after year, even if you change employers or retire. [5]) at the same time.

Current plan year
(July 1, 2026–June 30, 2027)

Deadlines:

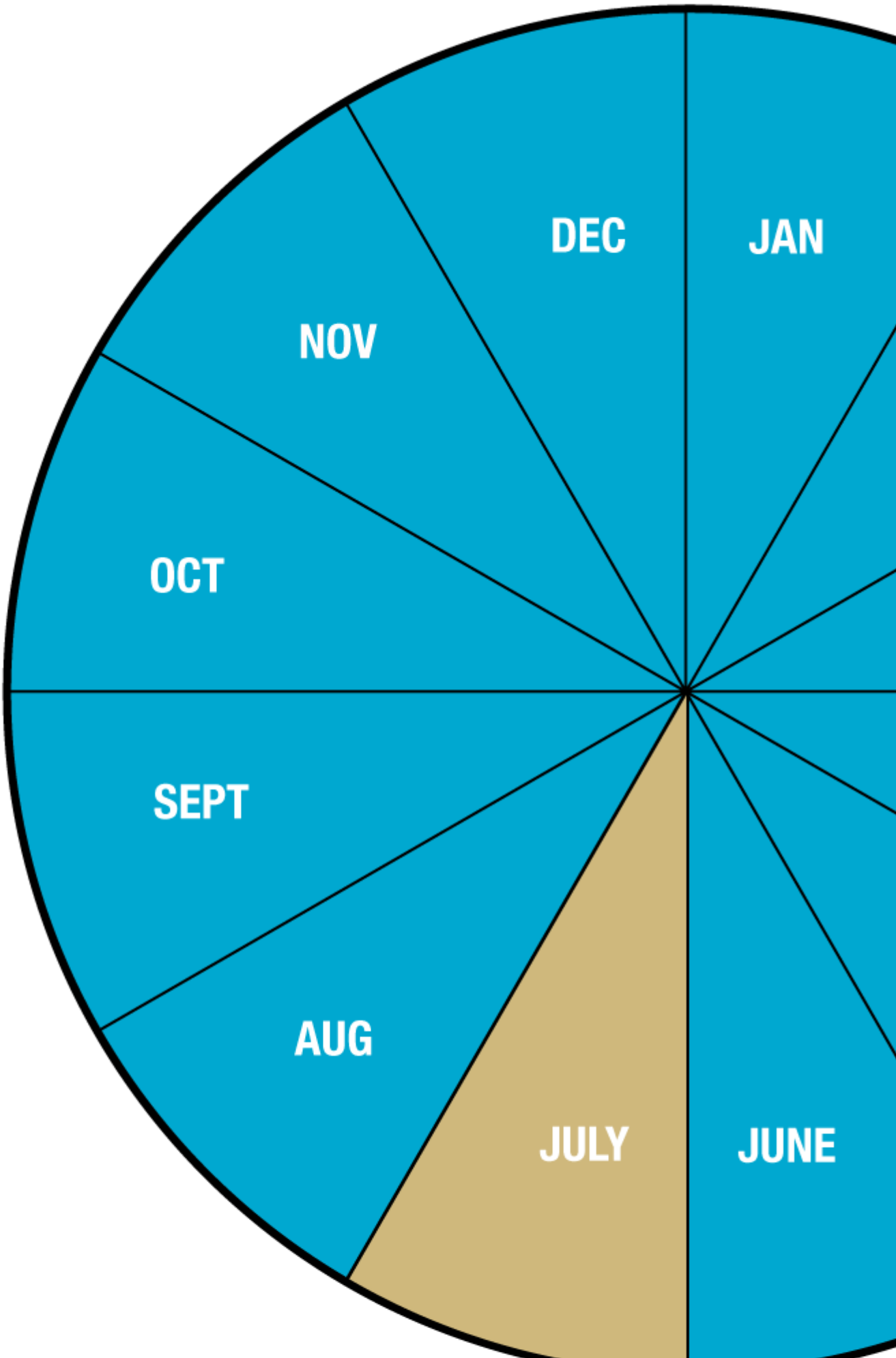
- You must incur qualifying expensesQualifying Health Care ExpensesThe expenses incurred for medical, dental or vision care for yourself and your tax dependents, as defined in Code Section 213(d) under Code Section 105.

[6] between July 1, 2026, and Sept. 15, 2027.
- Expense receipts must be submitted for reimbursement by Nov. 15, 2027.
- If you do not use all of your funds within the FSA, the remaining amount will be forfeited.

Determine your contributions

- FSA contributions start on July 1, 2026, the first day of the plan year.
- Contributions end on June 30, 2027, but you'll have until Sept. 15, 2027, to spend your money.

How much should you save? [7]


DEC
JAN
NOV
OCT
SEPT
AUG
JULY
JUNE

IRS contribution limit: $3,400 per employee for the 2026-27 plan year.

Resources

- Health Care FSA basics
- Health Care Flexible Savings Account fact sheet [8] (Spanish translation available)
- Contributions
- Spending your money
    - Eligible expenses [9]
    - Over-the-Counter Qualifying Items [10]
    - Direct deposit form [11]
    - Debit card [12]
    - Mobile app for Android [13] and iOS [14]
    - FSA Online Store [15]
- Effect on Social Security
- Effect on PERA
- Plan document

Videos

- What is an FSA? [16]
- Using the Mobile App [17]
- Filing an FSA Claim [18]

FAQ

- Health Care FSA Overview [19]
- Eligible Expenses Worksheet [20]

What is a Cafeteria Plan?

A cafeteria plan is a tax-savings benefits program designed to take advantage of Section 125 of the Internal Revenue Code. It allows you to pay certain qualified expenses on a pre-tax basis, reducing your taxable income. This includes CU's Premium-Only PlanPremium Only PlanThe benefit under IRS Section 125 that allows you to pay medical, dental and vision premiums on pre-tax basis. [21] and two Flexible Spending Accounts.

HCFSA basics

- Our HCFSA is administered by ASIFlex [22].
- This account is regulated by the Internal Revenue Service (IRS), who determines contribution limits, qualifying expensesEligible ExpensePurchases or services received that are allowed by the benefit provider and complies with IRS regulations. [3] and has designated it as a “use it or lose itUse It or Lose ItThe IRS regulations in regards to the money you elect to contribute to flexible spending accounts that must be spent and claimed within the designated period of time or the monies will be forfeited.

[23]" account.

- Enrollment in a medical, dental and/or vision plan is not required for you and/or your federal tax dependentsDependentAn employee's spouse, common-law spouse, civil union partner, domestic partner, children under the age of 27, and qualifying disabled children over age 27 of the employee or of the spouse/partner who are biological, legally adopted or for whom there are parental responsibility documents issued by a court. [4] to participate in the HCFSA.
- Your FSAFSA (Flexible Spending Account)A tax-savings account set up by you to pay for certain qualifying expenses on a pre-tax basis, meaning before they are made subject to payroll taxes. [24] becomes effective on July 1, if enrolled during Open EnrollmentOpen Enrollment PeriodThe period during which an eligible employee may enroll in, change or cancel CU benefits plans. This event is held every spring, with an effective date of July 1. [25].
- HCFSA enrollment elections do not roll over year after year. You must reenroll every year during Open EnrollmentOpen Enrollment PeriodThe period during which an eligible employee may enroll in, change or cancel CU benefits plans. This event is held every spring, with an effective date of July 1. [25] in order to continue your account for a new plan year.

HCFSA contributions

- **Upcoming plan year:** Your pre-tax contributions can be a minimum of $10 per month up to an annual total maximum of $3,400 for the 2026-27 plan year (July 1 to June 30) per employee. The money is deducted from your paycheck pre-tax.
- The amount you elect will be divided by the number of remaining pay periods in the plan year. Your final contribution will be June 30.
- Your election is fixed for the plan year. However, changes are permitted if you experience a qualifying life event [26].

Spending your money

- Funds in the account must be used on qualifying health care expenses [27], or you will pay both taxes and penalties.
- ExpensesEligible ExpensePurchases or services received that are allowed by the benefit provider and complies with IRS regulations. [3] qualify for the HCFSA when they are incurred, not when they are paid.
- ASIFlexASIFlexThe third party administrator for the flexible spending accounts. [28], our FSA Administrator, will mail you a debit cardDebit CardA bank card that will allow you to pay the health care provider or merchant directly from your health care flexible spending account (HCFSA) or health savings account (HSA). [29] that you must activate. The debit cardDebit CardA bank card that will allow you to pay the health care provider or merchant directly from your health care flexible spending account (HCFSA) or health savings account (HSA). [29] will be preloaded with the FULL amount you elect at your enrollment. When you need to pay for an eligible expenseEligible ExpensePurchases or services received that are allowed by the benefit provider and complies with IRS regulations. [3], present your ASIFlex debit card [30] at the time of purchase. This will then

pay for the health care service/product straight from your HCFSA account. The use of the card is not paperless, and supporting documentation may be required to substantiate a transaction.
- If you don't have your ASIFlex debit cardDebit CardA bank card that will allow you to pay the health care provider or merchant directly from your health care flexible spending account (HCFSA) or health savings account (HSA). [29] with you at the time of purchase/services, you can file a claimClaimA written request such as a reimbursement of a health care expense made by you or your health care provider to the plan administrator whether is medical, dental, vision or a flexible spending account. [31] online at www.asiflex.com [32], or you can download the free mobile app for Android and Apple devices.

Use it or lose it accounts

Failure to incur the expense and claim the reimbursement by the deadline will result in the forfeiting of your funds.

- For the upcoming plan year (2026-27): You must incur expenses from July 1, 2026, to Sept. 15, 2027, and submit reimbursement claims by Nov. 15, 2027.

Effect on Social Security

Cafeteria planCafeteria PlanA plan that meets the requirements of IRS Code Section 125 and offers participating employees certain non-taxable benefits, such as the Premium Only Plan and flexible spending accounts [33] dollars are deducted from your pay pretax, meaning before federal, state, Social Security and Medicare taxes are paid. Participating in cafeteria plans Cafeteria PlanA plan that meets the requirements of IRS Code Section 125 and offers participating employees certain non-taxable benefits, such as the Premium Only Plan and flexible spending accounts [33] reduces the salary on which annual contributions to Social Security are calculated, which may result in a reduction of the Social Security benefits received at retirement. The reduction is minimal, and you may wish to discuss it with your tax advisor.

Effect on PERA

If you were a PERA member on or before June 30, 2019: Cafeteria planCafeteria Plan A plan that meets the requirements of IRS Code Section 125 and offers participating employees certain non-taxable benefits, such as the Premium Only Plan and flexible spending accounts [33] dollars are deducted from your pay pretax, meaning before federal, state and Medicare taxes are paid. Your PERA retirement annuity or disability retirement is based on your PERA Highest Average Salary (HAS) calculation. Since cafeteria plans reduce the salary on which PERA calculates benefits, your PERA retirement benefits may be reduced.

Review the FSA plan document [34].

Groups audience:
Employee Services
Right Sidebar:

ES: Benefits & Wellness - New Employee Sidebar
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Links
[1] https://www.cu.edu/employee-services/benefits-wellness/new-employee/hsa-fsa/health-care-flexible-spending-account [2] https://www.cu.edu/es-benefits-glossary/hcfsa-health-care-flexible-spending-account [3] https://www.cu.edu/es-benefits-glossary/eligible-expense [4] https://www.cu.edu/es-benefits-glossary/dependent [5] https://www.cu.edu/es-benefits-glossary/hsa-health-savings-account [6] https://www.cu.edu/es-benefits-glossary/qualifying-health-care-expenses
[7] http://www.asiflex.com/Calculator.aspx [8] https://www.cu.edu/docs/hcfsa-health-care-flexible-savings-account-fact-sheet [9] https://www.asiflex.com/EligibleExpenses.aspx [10] https://www.cu.edu/doc/fsaotc-cardpdf [11] https://webdocs.asiflex.com/D_D_Forms/directdepositform.pdf
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[25] https://www.cu.edu/es-benefits-glossary/open-enrollment-period [26] https://www.cu.edu/employee-services/benefits-wellness/current-employee/life-changes [27]
http://www.asiflex.com/EligibleExpenses.aspx [28] https://www.cu.edu/es-benefits-glossary/asiflex
[29] https://www.cu.edu/es-benefits-glossary/debit-card [30] http://www.asiflex.com/DebitCards.aspx
[31] https://www.cu.edu/es-benefits-glossary/claim [32] http://www.asiflex.com [33] https://www.cu.edu/es-benefits-glossary/cafeteria-plan [34] https://www.cu.edu/docs/flexible-benefits-plan