Option Transfer - Spending Accounts

2. How much should I contribute to a flexible spending account?

View a recording of the PayFlex Presentation.

Tax Savings for Any Health Plan: If you want to take advantage of the pretax savings of an FSA for medical or childcare expenses, you need to sign up every year during the option transfer period (re-enrollment is not automatic!).

- Not enrolling in an FSA this year? Jump to the next step!
- Not sure if an FSA is for you? Learn more about Flexible Spending Accounts

- Enrolling in an FSA? Check out the helpful tips below to decide your 2022 contribution level.

FSA ENROLLMENT DEADLINES:

- Enroll online in Workday before 4:00 pm EST, December 31, 2021 (see the Workday Decision/Enrollment Guide for step-by-step instructions).
- If you enroll after 4:00 pm EST, 12/31/21, you will need to submit a paper form before
2022 Contribution Limits

Health care FSA: $2,850
- If you and your spouse each have a health care FSA, you can each contribute up to $2,850

Dependent care FSA: $5,000
- If you and your spouse each have a dependent care FSA, you are limited to $5,000 between the two of you. If you’re married and filing taxes separately, your contribution limit is $2,500.

Contribution Worksheets

Medical Expense Planning Worksheet: Determine the dollar amount you will spend for medical expenses during the plan year.

Dependent Care Expense Planning Worksheet: Determine the dollar amount you will spend for dependent day care expenses during your plan year.

Common Eligible Health Care Expenses: What's covered? What isn't?

Common Eligible Dependent Care Expenses: Details on what is and isn't covered.

Deadlines and Rollovers

You should assess your needs carefully for both the medical care and dependent care flexible spending accounts and take advantage of all the tax savings you can reasonably estimate.

Up to $570 of unused money in your current year medical care FSA account will be rolled over into the following plan year account to be used for eligible medical expenses.

The $570 rollover does not offset the 2022 election amount available. The rollover does not apply to the FSA dependent care account.

The IRS allows Cornell to extend the time that flexible spending dependent care account participants can incur and submit claims for reimbursement. For example, if your 2021 dependent care annual amount is $5,000, you have until March 15, 2022 to incur additional expenses that can be used for reimbursement against your 2021 annual amount.

You need to submit claims for reimbursement by April 30, 2022, otherwise the “use-it-or-lose-it” rule comes into effect and you will lose the unused funds. It is important that you submit 2021 claims prior to submitting 2022 claims so that your remaining 2021 monies will be exhausted prior to your 2022 monies being used.

We encourage you to use this Workday Decision Enrollment Guide before going into Workday.