

Limited Purpose

Flexible Spending Accounts



A Limited Purpose Flexible Spending Account (LP-FSA) is generally offered in conjunction with a health savings account (HSA), and is a tax savings account that reimburses employees for eligible dental, vision expenses.

A Limited Purpose FSA is simply a flexible spending account that limits the eligible expense to those that are allowed under IRS Code Section 223 as permitted coverage thus allowing those enrolled in an HSA to become eligible to also contribute to the Limited Purpose FSA.

Some examples of eligible expenses under the Limited Purpose FSA are:

- Dental Fees
- Vision Care Expenses
- Orthodontia
- Lasik Vision Correction Surgery

Q: Why would I want to participate in a LP-FSA when my HSA will cover these items?

A: Since the HSA account is a “bank account” you would need to save the money before it could be used for an expense above. With a LP-FSA you could participate and run eligible dental and vision expenses through the account without having to have the money “saved” first.

In addition you may want to participate in both the HSA and LP-FSA to maximize your tax savings.

As a result of health care reform (PPACA) effective January 1, 2013 the IRS Maximum per person for the Limited Purpose FSA will be \$2500.



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**Save 20% - 35% on
dental, and vision
expenses not
covered by your
insurance plans by
Participating in a
Limited Purpose
FSA Account
Today!**



This brochure highlights some of the details of the flex accounts offered. If there is a discrepancy between this material and the plan document, the plan document will govern.