



**LAUSD**  
**UNIFIED**

## 2025 Flexible Spending Account Information

Flexible Spending Accounts (FSAs) are voluntary plans that enable active employees to save money by paying for certain health care and dependent care expenses using pre-tax pay. The Los Angeles Unified School District offers two special tax-savings accounts to eligible employees – Health Care FSA and Dependent Care FSA. To participate in FSAs, you must enroll during the Annual Benefits Open Enrollment period every year as enrollment does not carryover. Total Administration Services Corporation (TASC) is the FSA plan administrator. Visit [lausd.org/benefits](https://lausd.org/benefits) for more information.

### How the Accounts Work

We all have some expenses that qualify for FSAs, so why not take advantage of this Internal Revenue Service (IRS) approved tax break? When you enroll, you decide how much of your pay to set aside in the Health Care FSA and/or Dependent Care FSA. The money you elect to set aside is deducted throughout the year from your pay before federal income, state income, and social security taxes are calculated. When you have an eligible expense, you pay for the expense using your payment card, or pay with personal funds and file for reimbursement from TASC. Both the payment card and reimbursement payments deduct money from the appropriate account and the money remains untaxed. In other words, you never pay taxes on the money that flows through your FSAs. The District pays the full cost of administering these FSAs.

<b>Health Care FSA*</b>	<b>Dependent Care FSA</b>
You can use the Health Care FSA to pay for eligible out-of-pocket costs, such as deductibles, copayments, and coinsurance. If you are not eligible for health care coverage under any LAUSD-sponsored plan and you pay your entire medical bill each time you receive health care or buy prescription drugs, then you can pay for these expenses through the Health Care FSA.	Whether you are single or married, if you pay for daycare for your children or other dependents so that you can work, this account is designed with you in mind. If you are married, however, your spouse must work full-time, go to school full-time for at least five months out of the year, or be disabled and unable to care for your dependents.

*\*Only health care expenses incurred by yourself and the people you claim as dependents on your federal tax return can be reimbursed through the Health Care FSA. Therefore, expenses for domestic partners and children of domestic partners are not eligible for reimbursement.*

## HEALTH CARE FLEXIBLE SPENDING ACCOUNT

### Eligible Health Care Expenses\*

- Deductibles and co-pays
- Prescription drugs
- Birth control pills
- Preventive care
- Durable medical equipment
- Mental health care (inpatient and outpatient services)
- Orthodontia or other planned dental treatments
- Physical therapy, speech therapy, chiropractic treatment, and acupuncture
- Prescription eyewear and contact lenses
- Vision correction procedures, such as LASIK, PRK, and radial keratotomy
- Smoking cessation programs
- Physician-prescribed weight reduction programs (excluding food replacement) to treat a specific disease such as high blood pressure

### Ineligible Health Care Expenses\*

- Expenses paid by a health care plan or other type of insurance
- Maternity clothes
- Fees or dues for exercise clubs or classes
- Premiums on health care plans and long-term care plans
- Consumer products for general well being, such as exercise equipment, whirlpools, and saunas
- Charges for vitamins
- Cosmetic surgery, unless it is directly related to a mastectomy
- Weight-loss programs without a letter of medical necessity

## DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

### Eligible Dependent Care Expenses\*

- Child or adult daycare services provided in your home
- Child or adult daycare services provided at someone else's home
- Expenses for a licensed daycare center including annual registration fees
- A portion of wages for a housekeeper whose duties include caring for a qualified dependent
- Tuition costs for children not yet in kindergarten (if it cannot be separated from the cost of care)

### Ineligible Dependent Care Expenses\*

- Babysitting charges for non-work hours
- Charges paid to one of your dependent children
- Charges paid to someone who doesn't report their income to the IRS
- Charges incurred if your spouse is not working, not going to school full-time for at least five months, or not disabled
- Kindergarten or overnight camp

\*Eligible expenses may vary with changes in legislation.

Visit the IRS website at [www.irs.gov](http://www.irs.gov) to obtain the most current edition of the IRS Publications 502 and 503 for further details on eligible and ineligible expenses. Please note that this flyer is not a definitive guide to what is reimbursable under FSAs.

To qualify daycare as an eligible expense, IRS requires that your qualified dependent must either be under age 13 or physically or mentally disabled (regardless of age) and unable to be self-reliant while you are working. If you are paying for adult daycare outside of your home, your dependent must live with you at least eight hours a day.

Daycare providers must claim the income on their tax return and you will be required to include their Social Security number on your reimbursement request.

## Access Your FSA Funds

As soon as you have an eligible health care expense, you can file a claim for reimbursement. There's no need to wait until the money is in your Health Care FSA. As long as the total claims for the year have not exceeded your annual election, your eligible claim will be processed immediately.

The reimbursement process for the Dependent Care FSA works a little differently than the Health Care FSA. As you incur and pay for eligible day care expenses, you may file for reimbursement. However, you can only be reimbursed up to the current FSA balance. If your request exceeds your account balance, the remaining reimbursement will be paid when additional funds are deposited.

There are two ways to access and use your account funds.

1. Use your payment card - Use your card with a qualified merchant or provider like any other credit card to pay for your eligible Health Care or Dependent Care expenses. Your TASC card will automatically verify eligible products purchased from participating merchants. However, purchases through standard medical, dental, or vision merchants will require verification. The IRS requires you to keep all your receipts and supporting documents along with your tax filing documents.
2. Pay with personal funds and request reimbursement - For Health Care FSA or Dependent Care FSA expenses, you may pay using your own personal credit card, cash, or check and keep your itemized receipt as documentation.

## Filing a Claim Under the Health Care FSA or Dependent Care FSA

Any time after the date of service, you may submit your request for reimbursement through TASC using any of the options below. Reimbursement checks are issued Monday through Friday. You may also enroll in Direct Deposit reimbursements by visiting [lausdtasc.com](https://www.lausdtasc.com).

1. Mobile: Download the TASC mobile app and submit your claim reimbursement request.
2. Online: Visit [lausdtasc.com](https://www.lausdtasc.com) and submit your claim reimbursement request online.
3. Paper Form: Contact customer care at 1-800-422-4661 or visit the microsite at [lausdtasc.com](https://www.lausdtasc.com).

### Deadline Dates for Filing Claims

Per Internal Revenue Service (IRS) guidelines, a Flexible Spending Account, Health Care and/or Dependent Care, can reimburse expenses incurred during the first 2 ½ months of any plan year using money remaining from the prior plan year.

- You will be able to get reimbursed for 2025 claims incurred anytime from January 1, 2025 to March 15, 2026. This means you have an extension period of up to 2½ months to spend the money in your account.
- The deadline for filing claim expenses incurred during the 2025 plan year through March 15, 2026, is June 15, 2026. You must submit your claims to TASC by June 15, 2026.
- Employees who separate, resign, or retire before the end of the plan year have until the end of the month of the term date to incur expenses and then have 90 days after that to submit claims for reimbursement.
- Expenses incurred after the date participation stops are not eligible for reimbursement.

## Annual Contribution

Your elected FSAs annual contribution will be divided equally and deducted from your pay throughout the year. The minimum contribution for either Health Care FSA or Dependent Care FSA is \$120 annually.

### Health Care FSA

You may contribute up to \$3,200 per year into the Health Care FSA.

### Dependent Care FSA

According to IRS rules, an employee's Dependent Care FSA contribution is limited to the smallest of the following amounts:

- \$5,000 if the employee is married and filing a joint return or if the employee is a single parent (\$2,500 if employee is married but filing separately);
- The employee's earned income for the year; or
- The spouse's earned income, if the employee is married at the end of the tax year.

## Other Important FSA Facts

FSAs are governed by IRS guidelines so keep the following rules in mind as you plan your participation in these accounts.

- The FSA plan year runs on a calendar-year basis, from January 1st to December 31st. Under the Health Care or Dependent Care FSA, eligible expenses incurred during the calendar year and the first 2 ½ month grace period of the next year can be reimbursed. This means that you can incur expenses through March 15 of the year following the current plan year and be reimbursed with current plan year monies. If you stop participating in the Health Care and/or Dependent Care FSA before December 31st, expenses incurred after the date participation stops are not eligible for reimbursement.
- "Use-It-or-Lose-It" Rule: Any funds remaining in your FSA account after the 2 ½ month extension period has ended (March 15 of the year following the current plan year) will be forfeited. Estimate your future expenses carefully to protect yourself against forfeitures.
- The accounts are separate. Contributions made to the Health Care FSA cannot be transferred to the Dependent Care FSA or vice versa.
- Unused FSA balances cannot be forwarded to the next calendar year except where the FSA account includes a grace period.
- You should be aware that your participation in a FSA may slightly reduce your future Social Security benefits as your FSA contributions reduce your taxable income.
- Once you enroll in a FSA for the calendar year, you may only make changes during the year if you have a qualified Major Life Event. Visit [lausd.org/benefits](http://lausd.org/benefits) for a list of qualified Major Life Events. You must submit your request within **30** days of the qualified event.

## Contact Information

Benefits Administration: (213) 241-4262; web: [lausd.org/benefits](http://lausd.org/benefits); email: [benefits@lausd.net](mailto:benefits@lausd.net)  
Total Administration Services Corporation (TASC): (800) 422-4661; [lausdtasc.com](http://lausdtasc.com)