



Dependent Care FSA FAQ

A Dependent Care FSA allows participants to use pre-tax dollars to cover eligible work-related dependent care expenses for qualified dependents, or if you are married, while you and your spouse work or your spouse attends school full-time.

Who is a qualified dependent under the Dependent Care FSA?

- Dependent under the age of 13
- Dependent or spouse of employee who is mentally or physically disabled and whom the employee claims as a dependent on their federal income tax return

Can an adult be a qualified dependent?

Yes, an adult may qualify as a dependent provided that the employee is providing more than half of that individual's support for the year and the dependent lives with the employee.

Do I have to use a day care facility?

No. You can be reimbursed for expenses of an individual providing care for your dependent in your home as long as the expenses are incurred for you and your spouse (if married), to work, look for work or attend school full-time.

Does my day care provider have to be licensed?

No. However, you are required to submit their Tax Identification Number or Social Security Number when filing your federal income tax return.

Does my day care provider have to be 18?

No, but the individual must claim the money as income on their tax return.

My child attends camp during the summer. Is this eligible?

Generally, no; however, if the camp is day camp and your dependent attends to allow you and your spouse (if married), to work, look for work or attend school full-time, then yes this would be an eligible expense.

Overnight camps are specifically excluded.

When can I be reimbursed for dependent day care expenses?

Expenses are eligible for reimbursement when they have been incurred, not when you are billed or when you pay for the services.

Example: Your day care provider requires you to pay for the month of September on September 1. You can be reimbursed as the services are incurred, not when you paid for the services. You can submit claims after each week, every two weeks or on October 1.





Dependent Care FSA FAQ (continued)

What supporting documentation must I file with each Dependent Care claim?

IRS requires supporting documentation that is from an independent third party, such as the dependent care provider. This document must include:

- **Provider Name:** The name of the individual or facility providing the care.
- **Dependent's Name:** The name of the qualifying person receiving the care.
- **Service Dates:** The specific date(s) that the care services were provided.
- **Type of Service:** What the service was (e.g., daycare, after-school care).
- **Out-of-Pocket Cost:** The amount you paid for the care.

Can I submit claims for dependent care expenses that are greater than the current balance of my Dependent Care FSA?

Yes, however, you will only receive reimbursement for the amount that you have contributed to your Dependent Care FSA. For example, if you contribute \$150 each month to your Dependent Care FSA, then you will only receive \$150 in reimbursement each month. The excess amount of expenses will be pended and automatically paid to you as contributions are posted to your account.

What happens if a claim exceeds the amount currently available in my Dependent Care FSA?

The claim will be processed and approved. The amount that is currently available will be disbursed and the remaining portion will be pended until you make another contribution.