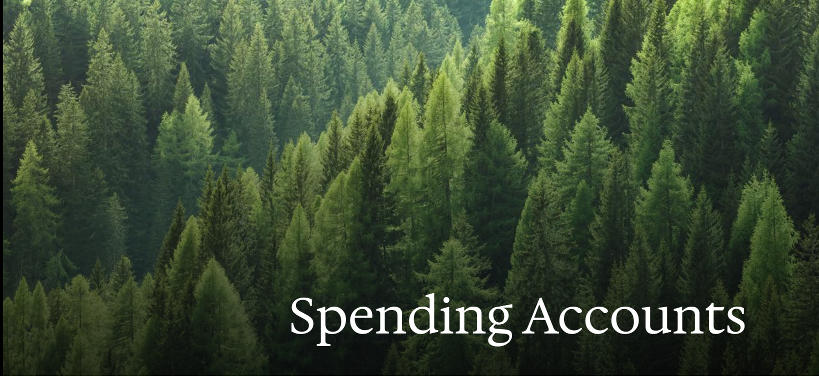
Current

2026 EMPLOYEE BENEFITS



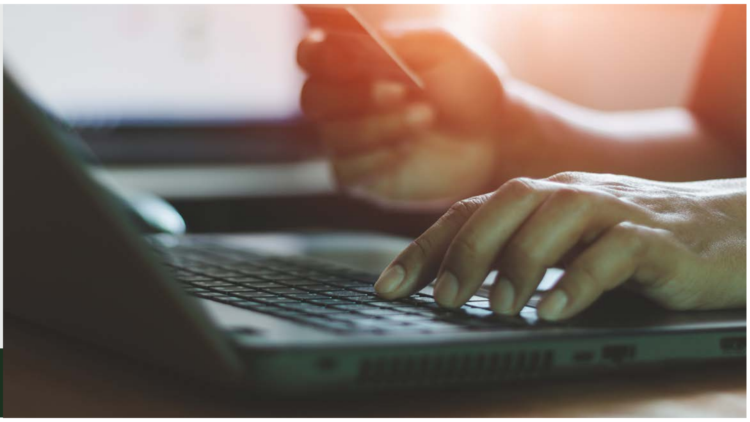
Spending Accounts

As a full-time Current Company employee, the below information focuses on the Spending Accounts available to you to help support your health and financial wellbeing.

Spending Accounts Available to You:

- Health Savings Account (HSA)
- Flexible Spending Accounts (FSA)
  - Limited Purpose FSA
  - Healthcare FSA
  - Dependent Care FSA

For Extensive Info on Spending Accounts, Click **Here**.



Eligibility:

Health Savings Account (HSA)	• You must be enrolled in the High-Deductible Health Plan. • You are NOT covered by another non-HDHP plan. • No one else can claim you as a dependent. • You are NOT enrolled in Medicare, TRICARE, or TRICARE for Life. • You have NOT received VA benefits.
Limited Purpose FSA	• You must be enrolled in the High-Deductible Health Plan.
Healthcare FSA	• You can utilize a Healthcare FSA if you have waived medical coverage or are enrolled in a medical plan that is not the High-Deductible Health Plan with a Health Savings Account.
Dependent Care FSA	• You may enroll in a Dependent Care FSA regardless of your enrollment or waiver in a medical plan.

Click to watch these informative videos:

- Health Savings Account (HSA Overview)
- How to Optimize Your HSA
- Flexible Spending Account (FSA Overview)
- How to Optimize Your FSA
- Limited Purpose FSA
- Dependent Care FSA

Health Savings Account

A Health Savings Account (HSA) is a tax-advantaged savings account that can be used for qualified healthcare expenses. You own your HSA and can contribute to the account with pre-tax payroll deductions.

Why should you enroll in an HSA?

1. **HSAs are triple tax advantaged.**
   The money you contribute to an HSA is contributed pre-tax, and interest accumulates in the account, tax-free. Then, given you use it for qualified healthcare expenses, the money withdrawn from an HSA isn't taxed.

Why Use a Health Savings Account?

Without using HSA	
Salary	$50,000
Tax at 25%	$12,500
Take Home Pay	$37,500
Medical Expenses Applied to Deductible	$4,150
Net Take Home Pay	$33,350

Using HSA	
Salary	$50,000
HSA Contribution	$4,150
Taxable Income	$45,850
Tax at 25%	$11,463
Net Take Home Pay	$34,387

In this example, the employee's take home pay without the HSA was $33,350. Using the HSA, take home pay is $34,387.
The employee has gained $1,037.

2. **You own your HSA.**
   Unspent dollars roll over each year and are yours to keep, even if you retire or leave the company.

3. **Current Company contributes bi-weekly to your HSA account.**
   Current Company contributes a maximum of $500 a year for individuals and $1,000 a year for families.

IRS Limits

<55	• **If you're under the age of 55, you can contribute up to $4,400 as an individual and $8,750 as a family.**
55+	• **If you're over the age of 55, your maximum contribution increases by $1,000.**

What expenditures are eligible?

HSA funds can be used for qualified medical expenses as defined by the IRS. In general, an expense is eligible if it is primarily for the diagnosis, treatment, prevention, or management of a medical condition or illness.

Note: This maximum applies to any and all enrollments in HSA plans an individual is enrolled in.
Additional Note: Current's contribution amount on your behalf counts towards your annual maximum amount in UKG.

What can an HSA be used for?

- Doctor Payments
- Dentist Payments
- Reimbursement for Out-of-Pocket Expense
- Prescriptions
- Eye Glasses
- Medical Services (Home Care)
- Medical Equipment or Supplies
- Psychological Counseling
- Physical Therapy

Common Eligible Expenses

You can use your HSA to pay for a wide range of healthcare-related costs, including:

✓ Medical Services

- Doctor visits, specialist care, and urgent care
- Hospital services, surgery, and lab work Diagnostic testing (X-rays, blood tests, imaging)

✓ Prescription & Over-the-Counter Medications

- Prescription drugs and insulin
- Over-the-counter medications such as pain relievers, allergy medicine, and cold/flu treatments

✓ Dental Care

- Exams, cleanings, fillings, crowns, and extractions
- Orthodontia, dentures, and implants

✓ Vision Care

- Eye exams and vision tests
- Glasses, contact lenses, and supplies LASIK or other corrective eye procedures

✓ Mental Health & Therapy

- Counseling, psychotherapy, and psychiatric care
- Substance abuse treatment programs

✓ Medical Equipment & Supplies

- Items such as blood pressure monitors, crutches, wheelchairs, or diabetic supplies
- First-aid supplies and diagnostic devices

✓ Other Qualified Expenses

- Ambulance services and transportation for medical care
- Physical therapy, chiropractic care, and acupuncture
- Fertility treatments and certain preventive services

Important Rules to Remember

- Expenses must be for you, your spouse, or your eligible dependents.
- The expense must have a clear medical purpose, not just improve general health or wellness.
- You cannot use HSA funds for expenses already covered or reimbursed by insurance.

Expenses That May Not Qualify

Examples of expenses that are generally not eligible include:

- Items for general health (e.g., vitamins, gym memberships without medical necessity)
- Cosmetic procedures (unless medically necessary)
- Personal care items (e.g., toothpaste, deodorant)

For more info please visit the **IRS Publication on Spending Accounts**.

HSA and Medicare

Once you enroll in Medicare, you can no longer contribute to an HSA, but funds already in the account can still be used, tax-free, for qualified medical expenses.

Key Rule: HSA Contributions and Medicare

Once an individual enrolls in any part of Medicare (Part A, B, C, or D), they are no longer eligible to contribute to a Health Savings Account (HSA). This rule applies even if the individual remains enrolled in a High Deductible Health Plan (HDHP). Eligibility—not age—is the determining factor.

What Happens to the HSA After Medicare Enrollment?

Although contributions must stop, existing HSA balances are not impacted. Funds remain available for use and can continue to grow through investment earnings. HSA funds can still be used tax-free for qualified medical expenses, including certain Medicare-related costs such as premiums, deductibles, and copayments.

Contribution Restrictions and Penalties

Any contributions made after Medicare enrollment are considered excess contributions. These are subject to income tax and a 6% excise tax for each year the excess remains in the account unless corrected.

The 6-Month Retroactive Rule (Critical Timing Issue)

For individuals who enroll in Medicare after age 65, Medicare Part A is often applied retroactively for up to six months prior to the enrollment date (but not earlier than the month the individual turned 65). This retroactive enrollment can unintentionally create excess HSA contributions during that "six-month period.

To avoid penalties, individuals should generally stop HSA contributions approximately six months before enrolling in Medicare.

Eligibility Clarification

- Turning age 65 alone does not disqualify an individual from contributing to an HSA.
- Individuals who are eligible for Medicare but not enrolled may continue contributing.
- Enrollment in any part of Medicare immediately ends HSA contribution eligibility.
- Working past age 65: Individuals may continue contributing if they delay Medicare enrollment and remain covered under an HSA-qualified plan.
- Spousal situation: A spouse not enrolled in Medicare may still contribute to their own HSA even if the other spouse is enrolled.

What is an FSA?

A Flexible Spending Account (FSA) is a tax-advantaged account that can reimburse you for qualified healthcare or dependent care expenses. You can fund qualified healthcare expenses with pre-tax dollars deducted from your paycheck.

Key Characteristics to be aware of:

- FSAs are “use it or lose it” accounts.

This means that after setting an annual contribution amount at the beginning of the year, any unused funds over the **IRS Maximum of $680** will be forfeited, if not used by December 31st, 2026. Therefore, be mindful when choosing an annual contribution amount. Choose an amount that will properly cover medical, dental, vision, or dependent care expenses.

- Certain life events may affect your FSA.

You do not own your FSA. If you leave your job before you’ve used the FSA funds, you will lose access to your FSA dollars. However, as a Current employee, your FSA is administered through EBC, and you are eligible to elect COBRA coverage and continue your FSA until the end of the year.

Death. If you die, the contributions to your FSA will stop, but your survivors can file claims until the filing deadline for any remaining eligible expenses that you or your family members incurred.

- Run-Out Periods may exist on your FSA.

As a Current employee, your FSA coverage contains a run-out period - meaning, you can use unused funds in your FSA for expenses incurred during the run-out period, The run-out period is 3 months on your FSA through EBC.

What types of FSA’s are available to me?

Healthcare FSA	Limited Purpose FSA	Dependent Care FSA
A healthcare FSA is a type of FSA that allows pre-tax dollars to be spent on eligible medical expenses, up to the amount contributed for the plan year. Eligible healthcare expenses include many out-of-pocket costs you pay to maintain your health and well-being.	A limited purpose FSA is a type of FSA that allows pre-tax dollars to be spent on eligible dental and vision expenses. This account is considered “limited” because it generally does not cover medical expenses and only covers dental and vision expenses.	A dependent care FSA is a type of FSA that allows pre-tax dollars to be spent on expenses for the care of a dependent child, spouse, or elderly parent inside your home (from a qualified provider), and expenses outside your home such as – babysitters, nursery schools, or daycare centers.
A Healthcare FSA is front-loaded, meaning the full annual election is available at the start of the plan year even though contributions are deducted through payroll over time.	A Limited Purpose FSA is also front-loaded, with the full annual election available on day one, like a Healthcare FSA.	A Dependent Care FSA is funded each pay period, with funds only available as they are contributed through payroll deductions.

What expenditures are eligible?

Healthcare FSA

- Includes medical, prescription drug, dental, and vision expenses
- Common eligible items:
  - ✓ Deductibles, copays, coinsurance
  - ✓ Doctor visits, hospital services, prescriptions
  - ✓ Dental (cleanings, fillings, orthodontia)
  - ✓ Vision (eye exams, glasses, contacts)
  - ✓ Prescriptions and some over-the-counter items and medical supplies
  - ✓ **Click Here and see the Appendix for Extensive List of Qualified Healthcare FSA Expenses**
  - The only over-the-counter medication that can be reimbursed without a prescription is insulin
  - Funds can be used for employee, spouse, and dependents
  - Cannot be paired with an HSA (would impact HSA eligibility due to overlapping coverage)

Limited Purpose FSA

- Exclusively limited to Dental and Vision expenses:
  - ✓ Dental cleanings, crowns, braces
  - ✓ Eye exams, glasses, contact lenses, LASIK
- Designed to be compatible with an HSA, allowing you to:
  - ✓ Preserve HSA funds for broader medical expenses

Dependent Care FSA

- Covers dependent care (not medical) expenses so the employee can work
- Eligible dependents:
  - ✓ Children under age 13
  - ✓ Disabled spouse or dependent
- Common eligible expenses:
  - ✓ Daycare, preschool, after-school programs
  - ✓ Summer day camps (non-overnight)
  - ✓ Elder care/day care for dependent adults
- Expenses must be work-related (custodial care, not educational curriculum)
- Only covers care services—not medical costs, food, or overnight camps

IRS Limits

Healthcare FSA
You may contribute up to $3,400 annually in 2026.

Limited Purpose FSA
You may contribute up to $3,400 annually in 2026.

Dependent Care FSA
You may contribute up to $7,500 annually in 2026, or $3,750 if you are married and file a separate tax return.

For more info please visit the **IRS Publication on Spending Accounts**.

HSA vs. Healthcare FSA

Both Health Savings Accounts (HSAs) and Healthcare Flexible Spending Accounts (FSAs) allow employees to use pre-tax dollars for qualified medical expenses. However, there are key differences in eligibility, ownership, funding, and flexibility.

Category	HSA	Healthcare FSA
Eligibility	Must be enrolled in a High-Deductible Health Plan (HDHP)	Available to all employees; cannot be enrolled in both HSA and Healthcare FSA
Funding & Contributions	Employee and employer contributions added over time (bi-weekly); you may change this anytime	Employee elections set annually; full election amount available at start of plan year (front-loaded); changes limited to qualifying events
Fund Availability	Funds become available once they are deposited	Full elected balance available on day one of plan year (Front-loaded)
Carryover	Funds roll over year-to-year with no limit	Limited carryover ($680 annually in 2026), amounts over are forfeited
Portability	Portable – stays with you if you leave employer	Not portable – lost upon termination
Investment Eligibility	Funds may be invested	Funds may not be invested
Tax Advantages	Triple tax benefit: pre-tax contributions, tax-free growth, tax-free withdrawals for qualified expenses	Pre-tax contributions and tax-free withdrawals/reimbursements for qualified expenses
Best Use Case	Long-term savings and future healthcare planning	Short-term, predictable healthcare expenses within the plan year

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