

Employee FAQ Dependent Care (DCA)

What is a Dependent Care FSA account?

A DCA is an employer-sponsored benefit that allows you to set aside pre-tax dollars into an account to be used for eligible dependent care expenses so you can work or look for work.

Why should I participate?

You do not have to be enrolled in your employers group health plan to participate. Contributions are deducted from your paycheck on a pre-tax basis, reducing your taxable income. You can increase your spendable income by an average of 30% of your annual contribution with the tax savings.

How much can I contribute?

The IRS annual contribution limit is \$5,000 per household for a single or married individual. If you are married and are filing jointly, you can elect \$2,500 each.

Who qualifies as a dependent?

Children under the age of 13 that you claim as a dependent, as well as adults or other relatives that are incapable of caring for themselves (you must support them more than 50%) are qualified dependents.

What expenses are eligible for reimbursement?

Eligible expenses must be for the purpose of allowing you to work or look for work. Examples of services include:

Eligible Dependent Care Expenses	
Child Care Center	After school program
Nursery	Summer day camp
Preschool	Nanny in your house

Non-eligible Dependent Care Expenses	
Overnight camp	School fees for Kindergarten
Baby-sitter that is not work related	Long-term care services

Will I have access to my entire DCA election at the beginning of the year?

No, DCA funds are available after they have been deducted from your paycheck.

How do I get reimbursed for out-of-pocket expenses?

Out-of-pocket claims can be submitted via mail, fax, or uploaded through the online portal or mobile app.

How do I access my DCA funds?

If a mypreTax Benefits Card is offered with your DCA account, you will be able to use it if debit cards are accepted at your day-care provider. Use your mypreTax Benefits Card at your provider and keep all of your receipts. HR Simplified will reach out for documentation for all claims, per IRS regulations.

If a debit card is not offered, you will be able to submit for reimbursement for your out-of-pocket expenses. Out-of-pocket claims can be submitted via mail, fax, uploaded through the Participant Portal, or uploaded through the mobile app.

Can I change my election amount mid-year?

If you experience a qualifying event you will be able to change your contribution mid-year. Examples of a qualifying event include the birth of a new child or if your child care provider significantly increases their rates.

What happens to my account if my employment is terminated?

Participation in the plan is also terminated. Reimbursement is available for expenses that were incurred prior to your termination.

Can I still deduct dependent care expenses on my tax return?

Yes, for expenses that you have not been reimbursed for. For example, if your total expenses were \$7,000 and you were reimbursed \$5,000 from your DCA, you can only claim the \$2,000 difference.