Day Care FSA

Save money on day care

some families save over $2,000 a year
depending on their tax situation

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Hello!

We're **Navia Benefit Solutions**, and we manage the Day Care FSA provided by your employer. This guide will help you understand what a Day Care FSA is, how it functions, and the many ways you may save money by participating. It also offers tips and tools to help you better understand your day care expenses and become a more informed day care consumer.

Day Care Flexible Spending Account (FSA)

A Day Care FSA is a pre-tax benefit account that enables you to set aside money to pay for your out-of-pocket daycare or dependent care expenses.

Save on day care expenses you already pay for

This FSA covers child care for dependents under the age of 13 and dependents who cannot care for themselves while you're working.

Pay your provider or a family member for child care

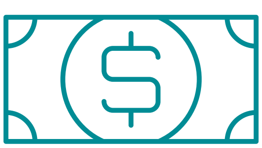
With a Dependent Care FSA, you can use your account to pay a licensed day care provider for child care services. You may also use your Day Care FSA to pay a family member to care for your child, as long as that person is not your spouse, is not someone you claim as a dependent, and is age 19 or older.

Easy to use

Pay using your Navia debit card or submit a claim online or via the *MyNavia Benefits* mobile app.

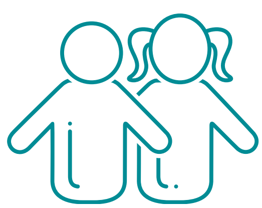
Maximum contribution

The contribution limit varies by employer, but you may be able to contribute up to $7,500 per year. The funds in the account must be used during the plan year. Much like your bank account, you cannot spend more than you have in your account each month.



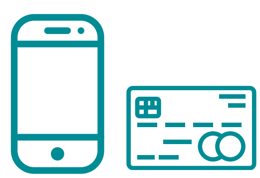
SAVE

USE FUNDS TO PAY YOUR PROVIDER OR ELIGIBLE FAMILY MEMBER



CARE

CHILDREN AND ELDERS COVERED



EASY

MULTIPLE WAYS TO SUBMIT CLAIMS

$7500

MAXIMUM CONTRIBUTION

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Day Care FSA works like a bank account and may save you money

A Day Care FSA lets you use pre-tax dollars to pay for dependent care expenses you're already covering, helping reduce your taxable income. You can use the account for the care of children under age 13 while you work or look for work, as well as for a spouse or dependent age 13 or older who is physically or mentally unable to care for themselves and lives with you for more than half the year.

Eligible expenses include preschool, day care, before- and after-school programs, summer day camps (not overnight camps), in-home care such as a nanny or au pair, and adult day care for dependents who require supervision. Because the account works like a checking account, you can only be reimbursed up to the amount currently available in your balance at the time the claim is processed ***Learn more***.

Make day care more affordable

Federal, state, and FICA taxes can take a noticeable portion of your paycheck, which means you typically bring home less than your full earnings. With a Day Care FSA, your contributions go in before taxes, allowing you to use more of your income on dependent care expenses you're already paying for. Your actual tax savings will depend on your personal situation, but many people find that using pre-tax dollars makes their day care costs more affordable.

Michael and his spouse both work full-time and rely on after-school care for their twin boys. Last year, they spent a little over $4,200 on care, paying their provider month by month. This year, they decided to set aside a similar amount through a Day Care FSA. By contributing $4,000 in pre-tax dollars, Michael can continue paying their provider the same way, while lowering their taxable income and reducing what they ultimately spend based on their personal tax situation. The extra money they kept in their budget made it possible for the family to enjoy a summer vacation together.

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How does it work?

Estimate your annual election

During your open enrollment, use the FSA calculator to estimate your out-of-pocket day care expenses for the plan year. This will help you determine your annual election amount.

Monthly paycheck deductions

The amount you elect will be deducted evenly out of each paycheck on a pre-tax basis and put into your Daycare FSA. You cannot change your annual election amount after the start of the plan year unless you have a qualified change in status.

Funds are available after contribution

After your monthly contribution is made to your account you will be able to submit claims for expenses. Much like your banking account, you cannot spend more than what is in your account each month.

Pay and submit claims!

Claims can be submitted online or through Navia's mobile app. Some Navia plans also offer a debit card, which is your fastest way to pay.

Check out our video about the Day Care FSA benefit!

Watch

How much should you contribute to your Day Care FSA?

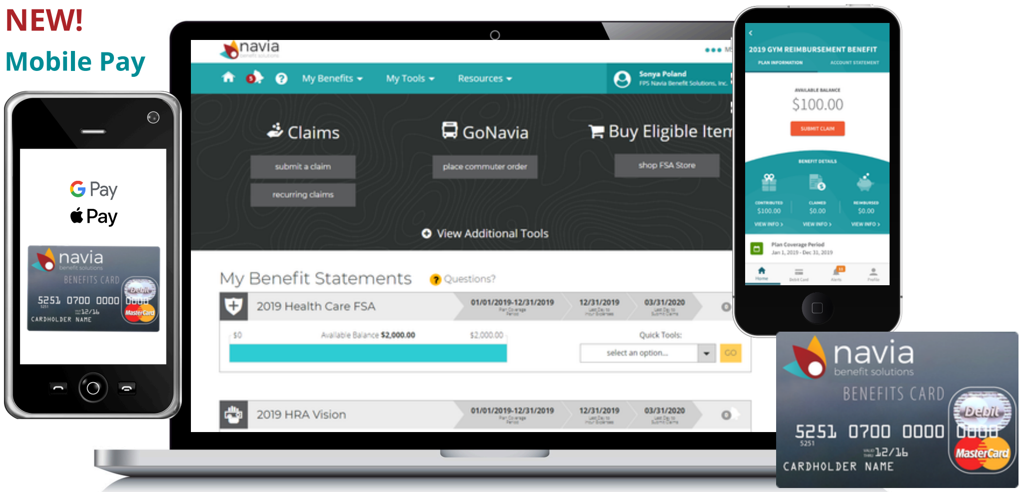
Calculate now

Accessing your benefits couldn't be easier!

Just swipe your Navia Debit Card to pay for eligible day care expenses. Funds come directly out of your FSA and are paid to the provider. Some swipes require us to verify the expense, so hang on to your receipts! If we need to see it, we will send you a notification. ***Learn more.***

IMPORTANT! Some plans do not include the Navia Debit Card, but that's ok! You can also submit claims through Navia's online portal, mobile app, email, fax, or mail. Claims are processed within a few days and reimbursements are issued according to your employer's reimbursement schedule. Navia also offers recurring claims with one click!

NEW!
Mobile Pay



Navia is here for you!

We're committed to providing you with unparalleled customer service. If you have questions, we're here to answer them!

Call us	45 sec	2 days
Live customer support with reps in every time zone	**If you have a question, you wait less than a minute to talk with a live Navia expert**	**Claims are typically processed within 2 days to ensure you are reimbursed quickly**

Why should I enroll?

Save enough money to pay for a family vacation or catch up on bills

Child care costs. like day care, preschool, and day camps, add up quickly. When you contribute to a Day Care FSA, you use pre-tax dollars to pay for these same expenses, which helps reduce what you spend based on your personal tax situation. Many families find that contributing the maximum amount can make care more affordable and free up money in their budget for things like a family vacation or catching up on bills.

Rest easy knowing you have set aside funds for day care

A Day Care FSA lets you set aside money specifically for child and elder care needs. It's a simple way to create a financial cushion so you can take care of the people who depend on you.

Pay a relative for child care service

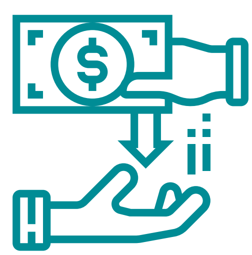
A Day Care FSA also gives families greater flexibility in child care. You can use your FSA to pay a family member to watch your child, as long as they are not your spouse, not someone you claim as a tax dependent, and are age 19 or older. This can be especially helpful when traditional care options aren't available.

GETAWAY

TAKE A FAMILY VACATION WITH YOUR SAVINGS

PRE-TAX

SAVE FUNDS FOR DAYCARE EXPENSES



CARE

PAY AN ELIGIBLE FAMILY MEMBER FOR DAY CARE

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Don't be afraid of use-it-or-lose it

The Day Care FSA is subject to the IRS “Use-It-or-Lose-It” rule. This means that if you don’t use all of the funds you’ve elected for the plan year, any remaining balance generally can’t be refunded to you. The good news is that most participants use the majority of their funds, and many plans now offer features, such as a grace period or a run-out period, that make it easier to avoid forfeiting unused dollars.

Some plans include a feature that extends deadlines

Run-out Period

The run-out period is the amount of time you have to submit claims for eligible expenses you incurred during the plan year (and during any grace period your plan may offer). Run-out periods vary by employer and typically last 60 to 90 days after the plan year ends.

Grace Period

The grace period gives you an additional 2.5 months after the plan year ends to incur new eligible expenses using any remaining FSA balance. This is an optional feature, so be sure to check your employer’s plan to see whether a grace period is included.

Check your employer’s plan design to see if the Grace Period feature is part of your plan.

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Meet our day care partner!

Kinside

Navia and Kinside have partnered to provide our Day Care FSA participants with a resource for finding affordable child care. Kinside is free for all Day Care FSA participants and can be accessed both through your Participant portal and on the Kinside website.

With Kinside's network you can...

SAVE Save on child care at daycares and preschools near you. Other savings typically include waived application fees.

Have access to child care nationwide. Kinside's database can be searched by program type, availability, area code, and more.

Pay online! Connect your Navia debit card to your Kinside account to pay your child care provider. ***Learn more.***

Access to full licensing and inspection reports for every daycare and preschool in Kinside's network.

Learn more about Kinside!

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Bottom line

If you expect to spend money out of pocket on child or elder care this year, using a tax-advantaged benefit account can help lower your costs because your contributions go in before taxes. Your actual savings will depend on your personal tax situation, but many people find that paying with pre-tax dollars makes these expenses more affordable.

Enroll now!

In order to participate in your company's FSA program you will need to sign up during your open enrollment period. Even if you participated last year, you will still need to re-enroll during this year's open enrollment.

Want to know more?

Below are some additional resource links to help you get the most out of your Day Care FSA benefit! Click to learn more.

Day Care FSA Overview

Tax Saving Calculator

FSA Store

Kinside

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