



\$2,500 Limit – Effective January 1, 2013

To commence with the first Plan year that begins on or after January 2013, employee salary reductions to the medical Flexible Spending Account (FSA) will be capped. Specifically, a \$2,500 per Plan year maximum, per employee, has been set forth by the Patient Protection & Affordable Care Act (PPACA). The TASC Plan Document has been automatically updated to reflect this new requirement.

Important! When renewing your Plan for 2013, please ensure that your medical FSA's annual maximum is set to an amount of \$2,500 or less.

The following guidelines apply to this new healthcare regulation:

- The limit is in effect with your next medical FSA Plan that begins on or after January 1, 2013.
- The limit applies to employee salary reduction contributions to medical FSAs only.
- The limit is for the Plan year, per employee, and per employer.
- Husband and wife may both elect \$2,500 in their respective health FSAs (even if working for the same employer).
- Employees changing jobs may elect \$2,500 in their prior employer's medical FSA and \$2,500 in their new employer's medical FSA, but only if the employers are not related entities.
- Rehired employees and employees with a qualifying change in status mid-year are limited to \$2,500 for the entire Plan year.
- The limit must be prorated based on the number of months for short Plan years (multiply the number of months in the Plan year x \$208.33 to determine the maximum limit allowed).

If you have questions or concerns regarding this communication or your FlexSystem Plan, please submit a MyService Request (from MyTASC, click *Contact Us*) or call Customer Care at 1-800-422-4661. Please have your 12-digit TASC ID (4400-9535-5079) available. We're always happy to help!

Total Administrative Services Corporation (TASC)

2302 International Lane
Madison, WI 53704-3140

www.tasconline.com