



LIMITED PURPOSE FSA (LPFSA) FACTS

What is a Limited Purpose FSA?

A Limited Purpose Flexible Spending Account (LPFSA) is a Healthcare FSA that limits the types of expenses that can be reimbursed on a pretax basis. If an employee is enrolled in a Health Savings Account (HSA) and wants to be enrolled in an FSA, they must be enrolled in a LPFSA. This type of FSA limits the expense categories which are eligible for reimbursement. Other than this exception, LPFSA's are exactly like an FSA.

What are the Exceptions?

LPFSA's are designed to work just like an FSA, but employees cannot be reimbursed for expenses subject to their employer's healthcare medical plan's deductible. These expenses must be submitted for reimbursement through the HSA.

Employees may submit expenses such as dental, vision, and eligible over-the-counter products, but cannot be reimbursed for expenses subject to their medical plan's deductible until after they have met the **IRS's Minimal Level** for a qualified high deductible health plan (HDHP).

Note: *The IRS may adjust the minimum level requirements on a yearly basis, please check with your employer or tax advisor for this year's minimum requirements.*

How Do I Get Reimbursed?

1. VISA Debit Card

You can use the VISA Debit Card that is associated to the LPFSA you received from HRCTS when you enrolled. To use this VISA Debit Card, simply present it at the point of purchase. The card will only work at dental and vision locations.

Note: *You will be required to submit an itemized receipt to verify eligibility of the service/item.*

2. Online/Mobile App

You can log into your online account and submit your claims for reimbursement. You will be required to upload your receipts or documentation to HRCTS for verification.

3. Paper Submission

You can submit a completed claim form with proper documentation to HRCTS by mail, fax, or email.

Please Note: *HRCTS does not monitor deductions from your HSA to ensure you have met IRS reimbursement requirements.*



Important Facts!

You can use the entire annual election of your LPFSA on the first day of the plan year

You will have up to 90 days after the end of your plan year or termination of employment to submit a claim that was incurred during the plan year.

Keep all receipts for your tax purposes and for verification by HRCTS. You will be asked to submit your receipts if you use the VISA debit card HRCTS provided to you if your expense does not meet certain criteria set by the IRS.

Please Note: *For more information on Receipt substantiation required by the IRS, please ask for the FSA IRS Receipt Substantiation Education Document.*

Please Note: *HRCTS has a Receipt Form which you may download and offer to your provider which has all necessary information required.*

Contact Customer Service: Monday – Friday 8: 30am-7:30pm EST

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