



**DIVERSIFIED**  
BENEFIT SERVICES, INC.

Excellence in Benefit Management Solutions

## Limited Purpose Flexible Spending Account (LPFSA)

### Benefits of the LPFSA

You can be reimbursed tax-free for dental and vision expenses. Most people save about 15 - 30% in taxes on the expenses that are incurred.

You have immediate access to all of the LPFSA funds, so you can receive advanced reimbursements if you incur expenses early in the plan year. This allows you to preserve your HSA money for future use.

If you incur \$900 for a crown and \$400 for glasses and pay 30% in taxes, your tax savings will be around \$390 ( $\$1,300 \times 30\% = \$390$ ). In this example, you save almost the entire cost of your glasses.

**DBSbenefits.com**

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### What is a Limited Purpose Flexible Spending Account?

It is a flexible spending account you can enroll in when you have a Health Savings Account. It allows you to be reimbursed tax-free for dental and vision expenses.

### How is the LPFSA Funded?

You choose how much you want to deduct tax-free from each paycheck. For example, if you are going to spend \$1,300 on dental/vision expenses during the plan year and are paid 52 times per year, the pre-tax deduction per check will be \$25.

### What can the LPFSA be used for?

The LPFSA can be used for out-of-pocket dental and vision expenses. The following are examples of expenses for you, your spouse or dependents (including children up to age 26).

- Dental Expenses (cleanings, x-rays, fillings, caps, crowns, braces, bridges)
- Vision Expenses (eye exams, glasses, frames, lenses, contact lenses, saline solutions, LASIK surgery)

### How are claims submitted for reimbursement?

Submitting claims is easy and can be done via mail, fax, online or smartphone. You need to provide proper documentation showing the date of service, nature of the expense incurred, name of the service provider and the amount of the expense. Service dates need to be within the LPFSA plan year.

### What if all of the money is not used?

Plan conservatively as expenses need to be incurred during the LPFSA plan year. Unused funds may be subject to the use-or-lose provision, depending on your plan design.

### Where can more information be obtained?

Contact DBS toll-free at **1-800-234-1229** to speak with a representative. Once you are enrolled into a LPFSA, you can review plan balance, claims and reimbursement information online at **DBSbenefits.com**.