

# FAQs: \$200 FSA contribution to SEBB Program members

## 1. What is an FSA?

A Flexible Spending Arrangement (FSA) is an account that allows you to set aside funds from each paycheck before taxes are applied to use for qualifying healthcare expenses. You can use the funds for yourself, your spouse or state-registered domestic partner (SRDP), or dependent, even if they are not enrolled on your medical coverage.

Since FSA dollars are taken out of your paycheck before taxes, it saves you money. On average, people save about thirty percent by depositing funds into an FSA because funds deposited in an FSA are exempt from state and federal taxes. You can think of it as for every \$100 you would deposit in a bank account, you can deposit \$130 in an FSA for eligible expenses.

## 2. What can I spend my FSA dollars on?

You can use your FSA to pay for health care costs that your insurance doesn't cover like copays, deductibles, prescriptions, over-the-counter medications, sunscreen, and more. To view a complete list of eligible expenses, visit [sebb.naviabenefits.com/expenses](http://sebb.naviabenefits.com/expenses).

## 3. How do I get this benefit?

To be eligible to receive this contribution, you must meet the following criteria:

- You are employed in a SEBB benefits-eligible position on January 1.
- Your annual earnable compensation, as defined in Chapter 41.32 (TRS) or 41.35 (SERS) RCW, did not exceed \$40,000 as of June 30 of the previous year.
- You or your spouse or state-registered domestic partner (SRDP) are not enrolled in a high-deductible health plan (HDHP) with a health savings account (HSA).
- You meet the other eligibility criteria as described in the Health Care Coalition Agreement, including: (a) you are enrolled in a medical plan offered by the SEBB Program that is not an HDHP with an HSA; (b) you have not waived SEBB Program eligibility.

If eligible, you will receive the \$200 contribution automatically from Navia Benefit Solutions (the FSA administrator) on behalf of your employer.

## 4. What would make me ineligible to receive this benefit?

You **will not** receive this \$200 contribution if:

- Your annual earnable compensation as of June 30 of the previous year exceeds \$40,000 per year.
- You waive SEBB medical coverage, unless you waive to enroll as a dependent on someone else's SEBB medical plan (that is not an HDHP with an HSA).
- You are no longer eligible for SEBB medical coverage on January 1 of the plan year. If you terminate your employment, retire, or lose coverage by the date the benefit is distributed, you will not receive this benefit.
- **Note:** you cannot use the funds if you, your spouse or SRDP enroll in an HDHP with an HSA. Internal Revenue Service rules do not permit a person to have both an FSA and an HSA because both are tax-preferred benefits. If you cannot receive the \$200 for this reason, the collective bargaining agreement does not allow the \$200 to be distributed or used in any other way. You will forfeit this benefit.

## 5. I didn't sign up for an FSA. Where did Navia Benefit Solutions get my address and who determined I was eligible?

The SEBB Program determines eligibility based on Department of Retirement Systems (DRS) data and SEBB Program eligibility requirements. If DRS and the SEBB Program determine that you are eligible for this FSA contribution, the SEBB Program provides your mailing address to Navia.

## 6. Does this contribution mean I can't contribute the maximum amount to my FSA?

No. The employer contribution of \$200 does **not** count against the IRS-mandated cap in FSA contributions. This means an employee who elects \$3,300 and receives the \$200 contribution would be allowed to have a \$3,500 FSA.

## 7. I hear that the salary requirement is based on my annual earnable compensation. What does this mean?

Your annual earnable compensation means your salary or wages earned which contribute towards your retirement benefits. For a complete definition, review Chapter 41.32 (TRS) and 41.35 (SERS) RCW.

## 8. What if my salary goes up after June 30, 2025?

Eligibility is based on your rate of pay as of June 30, 2025. If you get a raise after June 30, 2025, and your rate of pay exceeds \$40,000 per year, you will still receive the \$200 so long as you meet the additional eligibility requirements.

**9. What if I transfer to another PEBB or SEBB employer after I receive the \$200?**

You will still receive the \$200 contribution for the current year even if you transfer employers because salary eligibility and SEBB Program requirements will already have been established.

**10. What happens to my FSA if my employment ends?**

You will only be able to use your FSA and claim expenses that occur while you are employed in a SEBB benefits-eligible position, up to the last day of the month employment stops, unless you are eligible to continue coverage (WAC 182-31-100). You may continue to submit claims for reimbursement to Navia Benefit Solutions until March 31 of the following year after your employment ends.

**11. Who do I contact if I have questions?**

For questions about your salary or other FSA eligibility requirements, contact your payroll or benefits office. For questions about FSAs, your Navia account, and to get a full list of eligible health care expenses, visit Navia's website at **sebb.naviabenefits.com**, call 800-669-3539, or email **customerservice@naviabenefits.com**.