



Horizon MyWay® FSA

Flexible Spending Account

Easy access. Superior service.
Affordable health care.

Horizon MyWay makes FSAs easy for you—and your employees

Offer your employees a tax-advantaged way to save for out-of-pocket medical and dependent care expenses.

How It Works

Elections: At the beginning of each plan year, employees choose how much they'd like to contribute to their FSA. This amount can't be changed, except during open enrollment or in case of a qualifying event. Employers can also contribute to their employees' FSAs.

Contribution: Contributions are withheld pre-tax from each employee paycheck. Any employer contributions are tax deductible.

2025 Contribution Limits

Medical \$3,300 Dependent Care \$5,000

Source: IRS.gov

Employer dictates group-specific limits.

Documentation: To use their FSA funds to pay for medical or dependent care expenses, employees must submit receipts and documentation for review.

Payments: If the expense qualifies, it can be paid directly through the member's account or with their Horizon MyWay Visa® Debit Card if they have one.

Who Qualifies

There are no eligibility requirements for setting up an FSA, unless it will be used for dependent care.

Dependent Care

If any employee wants to set up a dependent-care FSA, their dependent must be a qualifying child under 13 years old, or a relative who isn't physically or mentally capable of caring for themselves, who lives with them for more than half the year. Please visit HorizonBlue.com/myway for more details.

Benefits



TAX ADVANTAGES

Employees contribute on a pre-tax basis, which means lower FICA and FUTA costs for employers as well as income and interest tax savings for employees. Any employer contributions are tax deductible.



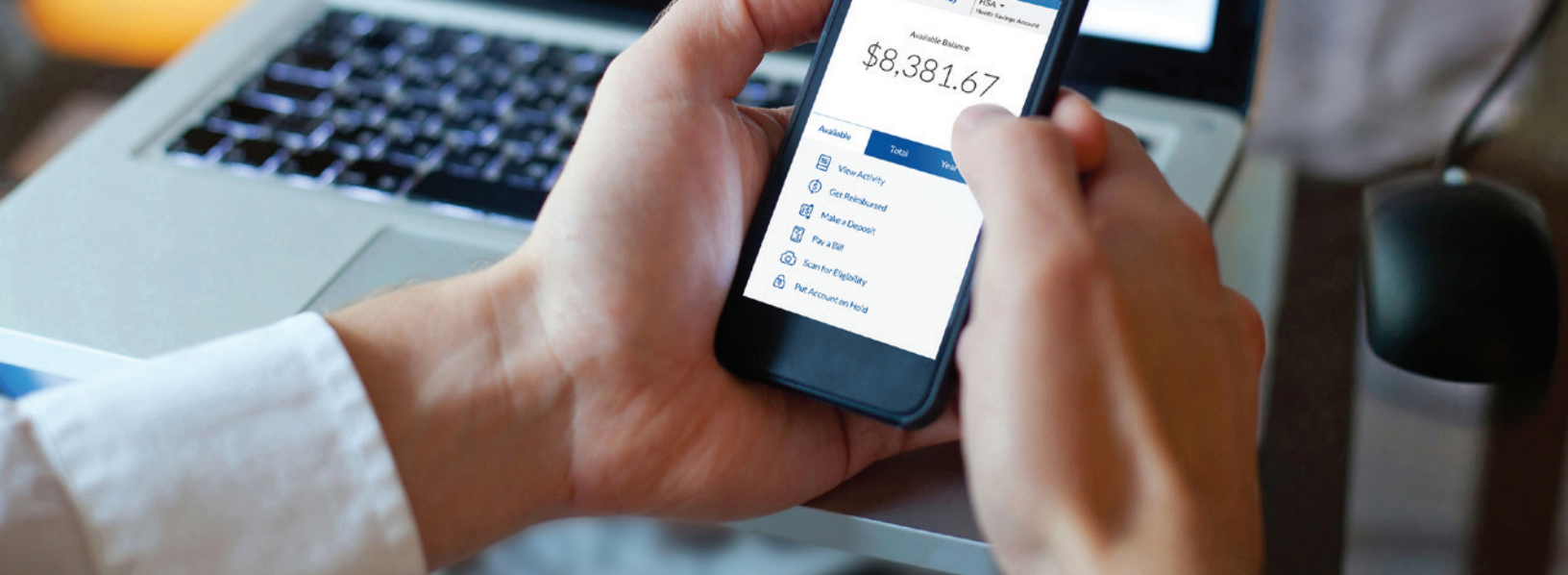
STAYS WITH THE COMPANY

FSA funds can roll over each year, but only at the discretion of the employer. If an employee leaves the company, any unused balance stays with the employer unless COBRA is elected.



SUPPLEMENTS AN HSA

If a member already has an HSA, the employer can add a Limited Purpose FSA at their discretion — which exclusively covers dental and vision expenses or dependent care — to supplement their savings.



User-friendly tools for seamless FSA management, 24/7

When you choose Horizon MyWay as your FSA provider, you and your employees will get:

Friendly Portals – Enjoy a simple user experience when you sign in.

Mobile App – Manage your account from the palm of your hand.

Debit Card – Withdraw funds from your FSA account without any fees.

24/7 Support – Access your account anytime, anywhere.

Training Sessions – Become a pro in your health saving and spending options.

Expert Assistance – Enjoy access to a dedicated team of experts every step of the way.

Together, we'll make sure your administration process is seamless—and that your employees feel empowered when it comes to their health care.



Horizon Blue app

The Horizon Blue app offers members a range of tools to manage their health spending and savings accounts. Download the free Horizon Blue app by texting GetApp to 422-272 or visit the Apple® App Store® or Google Play.*



Employee Account Features

FSA

Employees can use it to pay their deductibles or copays.



Employees can use the money in the account before it is fully funded.



Employees own the account.



Employers own the account.



Contributions are made pre-tax.



Employees can invest funds toward retirement.



A debit card may be available at the employer's discretion.



The Horizon BCBSNJ Difference

When you partner with Horizon Blue Cross Blue Shield of New Jersey (BCBSNJ), you'll be working with health care experts committed to providing superior, innovative products and programs for you and your employees. Even better, we always put your needs first—and that makes all the difference.

Horizon Blue Cross Blue Shield of New Jersey is an independent licensee of the Blue Cross and Blue Shield Association. The Blue Cross® and Blue Shield® names and symbols are registered marks of the Blue Cross and Blue Shield Association. The Horizon® name and symbols, and MyWay® are registered marks of Horizon Blue Cross Blue Shield of New Jersey. All other trademarks and service marks are the property of their respective owners.

*There is no charge to download the Horizon Blue app but rates from your wireless provider may apply.

Apple and the Apple logo are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc., registered in the U.S. and other countries. Google Play and the Google Play logo are trademarks of Google LLC.

Read about Horizon BCBSNJ's nondiscrimination policy.

© 2024 Horizon Blue Cross Blue Shield of New Jersey, Three Penn Plaza East, Newark, New Jersey 07105.



EC001285 (1024)

Q: What is an FSA and how does it work?

A: An FSA is an employer-sponsored spending account that allows employees to set aside pretax earnings to pay for eligible health care or dependent care expenses. Pretax funds are deducted from each paycheck and automatically deposited into an FSA account. Employees decide how much to contribute, tax-free, for the year.

Q: What expenses are eligible?

A: Any out-of-pocket and unreimbursed medical expenses allowed under section 213(d) of the Internal Revenue Code, except health insurance premiums and long-term care services. FSAs can also be used for day care or other dependent care expenses required to allow an individual to work. A complete list can be found at HorizonBlue.com/myway.

Q: How is an FSA funded?

A: Employees make pretax contributions through automatic payroll deductions. Employers can also decide to contribute, up to a maximum amount.

Q: What are the benefits to employees?

A: Pretax contributions lower taxable income, and reimbursements are made tax-free from the employee's account. In addition, with a Medical FSA, an employee has access to the entire elected amount on the first day of the plan year.

Q: How do employers save money?

A: FSA programs can lower employers' FICA taxes on employee payroll and possibly what is paid for other benefit plans, such as workers' compensation and disability, that are based on employees' taxable income.

Q: What types of FSAs are available?

A: There are two types of FSAs employers can offer to employees. Employees can participate in one or both.

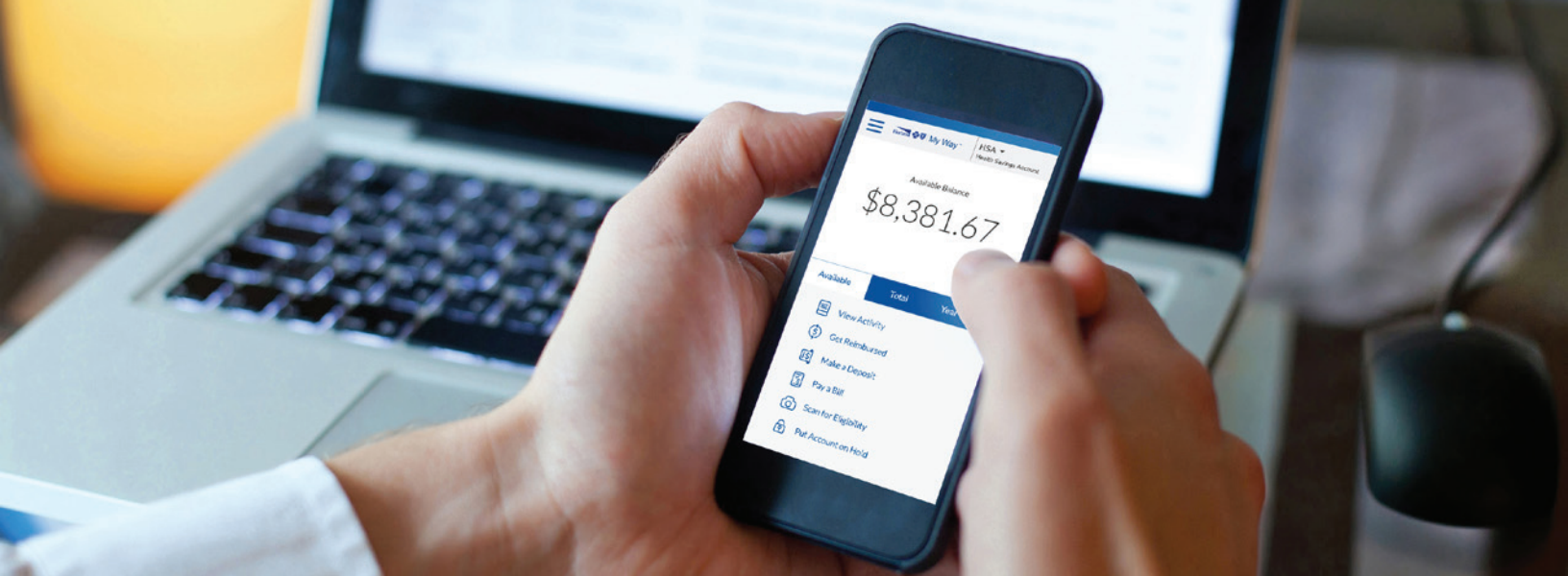
- **Medical FSA** – This type of FSA allows employees to pay for eligible expenses that are not covered by the health plan, such as deductibles, coinsurance, dental care, orthodontia and vision care. The total amount the employee chooses to contribute is available to them on the first day of the plan year, even if they have not actually contributed that much yet.

- **Dependent Care FSA** – This type of FSA allows employees to pay for daycare expenses for their children under age 13 or for older dependents not capable of self-care needed to allow an employee to work. With a dependent care FSA, the money must be in the employee's account before you can request reimbursement.

2025 Contribution Limits

Medical FSA	Dependent Care FSA
Covers medical costs, orthodontic care, dental, and vision.	Covers daycare for children under age 13 and other dependents not capable of self-care.
Employee contribution maximum: \$3,300	Employee contribution maximum: \$5,000

Depending on an employee's tax bracket, an employee can save nearly 30 percent on most medical, health and child or elder care expenses. An employee earning \$30,000 with a \$2,000 FSA contribution can save an estimated \$600 in taxes.



Q: What is the main difference between an FSA and an HSA?

A: With both an HSA and a FSA, account holders make tax-deductible contributions. HSAs are individually owned while FSAs are owned by the employer. Employers, family members and any other individuals can contribute to an HSA account. An FSA must be funded exclusively through employer contributions or employee pre-tax contributions. HSA balances continue forward until spent and an employee can take the account with them should they leave the company or retire. With an FSA, funds remaining at the end of the plan year are forfeited to the employer.

Q: What happens to funds at the end of the year?

A: Unused money in an FSA account is handled in one of three ways based on the plan design:

- Forfeited at the end of the plan year
- Rollover of up to \$660 of the balance to the next plan year. Remaining balances are then forfeited.
- Grace Period allows expenses in the first few months of a new plan year to be paid with old plan year funds. Remaining balances are then forfeited.

Q: Is a debit card available?

A: Yes. A Horizon MyWay Visa® Debit Card is available for eligible medical expenses, and can be used at the point of purchase or after care.

The Horizon BCBSNJ Difference

When you partner with Horizon Blue Cross Blue Shield of New Jersey (BCBSNJ), you'll be working with health care experts committed to providing superior, innovative products and programs for you and your employees. Even better, we always put your needs first—and that makes all the difference.



Horizon Blue app

The Horizon Blue app offers members a range of tools to manage their health spending and savings accounts. Download the free Horizon Blue app by texting GetApp to 422-272 or visit the Apple® App Store® or Google Play.*



Horizon Blue Cross Blue Shield of New Jersey is an independent licensee of the Blue Cross and Blue Shield Association. The Blue Cross® and Blue Shield® names and symbols are registered marks of the Blue Cross and Blue Shield Association. The Horizon® name and symbols, and MyWay® are registered marks of Horizon Blue Cross Blue Shield of New Jersey. All other trademarks and service marks are the property of their respective owners.

*There is no charge to download the Horizon Blue app but rates from your wireless provider may apply.

Apple and the Apple logo are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc., registered in the U.S. and other countries. Google Play and the Google Play logo are trademarks of Google LLC.

[Read about Horizon BCBSNJ's nondiscrimination policy.](#)

© 2024 Horizon Blue Cross Blue Shield of New Jersey, Three Penn Plaza East, Newark, New Jersey 07105.



EC001573 (1024)



Horizon MyWay® FSA

Flexible Spending Account Worksheet

Horizon Blue Cross Blue Shield of New Jersey wants to make sure you have the information you need to get the most out of your benefits. Use this worksheet to help you plan your Horizon MyWay FSA so you can keep your out-of-pocket costs low.

Any unused funds at the end of the year or grace period will be returned to your employer, so it's important to estimate how much you'll need for the year. Use the chart below to estimate how much you should set aside for your FSA.

Estimate your medical expenses

(The IRS allows a maximum contribution of **\$3,300** per individual)

Estimate your annual cost for out-of-pocket medical expenses	
▪ Out-of-pocket costs up to your deductible, along with co-pays or co-insurance	\$
▪ Prescription drugs	\$
▪ Medical supplies (i.e., insulin and diabetic supplies)	\$
Out-of-pocket dental, vision and hearing expenses	
▪ Checkups and cleanings	\$
▪ Fillings, X-rays, crowns, bridges, dentures, inlays	\$
▪ Orthodontia	\$
▪ Eye exams	\$
▪ Prescription eyewear – glasses, contact lenses and cleaning solution	\$
▪ Corrective eye surgery – LASIK, cataract, etc.	\$
▪ Hearing aids and batteries	\$
Estimated total out-of-pocket health care expenses	\$

Estimate your annual tax savings from a Medical FSA

Enter your estimated total out-of-pocket health care expenses from above	\$
Enter your tax rate ¹ and multiply	x %
This is your estimated annual tax savings by using a Medical FSA	\$

Estimate your dependent care expenses

(The IRS allows a maximum contribution of **\$5,000**)

Dependent care expenses	
▪ Licensed day care, nursery or preschool	\$
▪ Before and after school care ²	\$
▪ Summer day camps (not overnight camp) ²	\$
▪ Eldercare ³	\$
▪ Other:	\$
Estimated total out-of-pocket dependent care expenses	
	\$

Estimate your annual tax savings from a Dependent Care FSA

Enter your estimated total out-of-pocket health care expenses from above	\$
Enter your tax rate ¹ and multiply	x %
This is your estimated annual tax savings by using a Dependent Care FSA	\$

¹ Depends on your tax filing status. Please consult your tax advisor with questions.

² Before and after school care by a licensed provider are considered child care by the IRS. Summer day camps also count as child care.

Expenses for overnight summer camps and tuition for kindergarten and first grade (or higher) generally do not qualify for dependent care credit.

³ When an elderly or disabled parent is considered a dependent on your taxes and you are covering more than 50% of their maintenance costs.

Horizon Blue Cross Blue Shield of New Jersey is an independent licensee of the Blue Cross and Blue Shield Association. The Blue Cross® and Blue Shield® names and symbols are registered marks of the Blue Cross and Blue Shield Association. The Horizon® name and symbols, and MyWay® are registered marks of Horizon Blue Cross Blue Shield of New Jersey. All other trademarks and service marks are the property of their respective owners.

[Read](#) about Horizon BCBSNJ's nondiscrimination policy.

© 2024 Horizon Blue Cross Blue Shield of New Jersey, Three Penn Plaza East, Newark, New Jersey 07105.

HorizonBlue.com/myway

EC001278 (1024)