

Dependent Care Account

A Dependent Care Reimbursement Account (DCA) allows you to set aside part of your salary each pay period on a pre-tax basis for eligible expenses incurred for the care of your child while you are at work (if applicable spouse must be working also). You may elect up to \$5,000.00 (if filing jointly on taxes) per year for DCA (Dependent Care Expenses) or \$2,500.00 (if single or married filing separately on your taxes). The DCA Account also has a grace period at the end of each plan year. You must incur any expenses 75 days after your plan year-ends, and all claims must be submitted 90 days after each plan year ends to LR Webber Associates.

*The full DCA election is not available the first day of the plan year as it is with Medical FSA. You may only be reimbursed the amount that has been withheld from your pay.

An Eligible Dependent:

- Children 12 years and under who reside in your household
- Adults/children mentally or physically incapable of self-care who spend at least 8 hours a day in your household

<u>Eligible Expenses</u>	<u>Ineligible Expenses</u>
○ Day care facility fees for qualified dependent(s)	○ Child support payments or child care if you are a non-custodial parent
○ Local day camp fees for qualified dependent(s)	○ Payments for dependent care services provided by your dependent, your spouse's dependent, or your child who is under age 19
○ Baby-sitting fees for at-home care of qualified dependent(s) while you and your spouse are working (care cannot be provided by you, your spouse, or other dependent)	○ Healthcare costs or educational tuition
	○ Overnight care for your dependents (unless it allows you and your spouse to working during that time)
	○ Nursing home fees
	○ Diaper Service
	○ Books and Supplies
	○ Activity Fees
	○ Kindergarten Expenses

How a DCA (Dependent Care Account) Works:

- First, estimate how much money you will be spending during the plan year for qualifying child care expenses
- Once you have enrolled in a DCA account, each pay period the elected amount you have chosen will be withheld and taken out of your pay before taxes are calculated. The money that you set aside will be deposited into your DCA account.
- To receive a reimbursement from your DCA account, you simply submit a Claim Form along with supporting documentation (within the current plan year, and after your effective date)
- You will only be reimbursed for eligible claims based on the amount, which has been deposited into your DCA Account. Any claim amount in excess of your current balance will go into a pending status until another payroll deduction amount is deposited into your account
- A new election must be made every plan year

How to Enroll in a DCA (Dependent Care Account):

- Enroll during the Open Enrollment Period
- Enroll when you are first eligible to participant in the plan
- Enroll when you have a qualifying change in status (example: birth of child, marriage, divorce)

Items that are needed on a receipt:

- Tax ID Number/SSN of person that is providing the service
- Dates of Daycare service provided
- Child's Name
- Provider's Name
- Amount that was paid

Questions?? Please feel free to contact LR Webber Associates Claims Department at (800) 326-9850 or email at Claims@LRWebber.com