

2026 Flex Spending Account ENROLLMENT BOOK



2026 Flex Spending Account Guide

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Important Dates to Remember

October 31, 2025

Last day to submit a qualifying life event (QLE) or new hire election for the 2025 plan year.

November 1, 2025

FSA open enrollment begins for the 2026 plan year. FSA enrollment is not automatic. You must enroll each year to receive the FSA benefit.

December 8, 2025 at 11:59 p.m. ET

FSA enrollment deadline for the 2026 plan year.

January 1, 2026

First day of the 2026 plan year.

January 31, 2026

Last day to notify NYS FSA of any 2026 open enrollment errors. Review your first paycheck for any deduction discrepancies.

March 31, 2026

Last day to submit claims for the 2025 plan year.

December 31, 2026

Last day to incur 2026 HCSA expenses.

March 15, 2027

Last day to incur 2026 DCAA and Adoption expenses.

March 31, 2027

Last day to submit claims for the 2026 plan year.

Have Questions? We're Happy to Help.



FSA Hotline: 800-358-7202



FSA Website: <https://oer.ny.gov/fsa>



FSA Email: fsa@oer.ny.gov



Lost/Stolen Card: <https://tasconline.com>

Save Smarter with an FSA: The Basics

What Is the Flex Spending Account (FSA)?

The Flex Spending Account (FSA) is a valuable benefit available to NYS employees that helps you save money by allowing you to pay for eligible expenses—such as health care, dependent care, or adoption-related costs—with pre-tax dollars. By reducing your taxable income, you take home more of your paycheck. It's a simple and effective way to get more out of your benefits and keep more money in your pocket! The FSA offers three negotiated benefits to State employees:

Health Care Spending Account (HCSA)

Allows you to pay any amount from \$100 to \$3,400 for health-related expenses provided to you, your spouse, or eligible dependents with tax-free dollars. Funds are available at the start of the plan year.

See pages 13–14 for additional HCSA details.

Dependent Care Advantage Account (DCAA)

Allows you to pay up to \$7,500 for dependent care expenses with tax-free dollars while you are at work. Funds become available for reimbursement as they are deposited from your payroll deductions.

See pages 15–17 for additional DCAA details.

Adoption Advantage Account (Adoption)

Allows you to pay up to \$17,670 for adoption-related expenses of an eligible child with tax-free dollars. This account can help pay for a qualified adoption.

See page 18 for additional Adoption details.

Here's How It Works:

During the open enrollment period, think ahead and estimate what you expect to spend on qualified expenses for the upcoming plan year. You can choose to enroll in one, two, or all three FSA benefit options. If you enroll in more than one FSA benefit, funds cannot be transferred between accounts. Next, decide how much of your salary you want to contribute to each account. This amount is called your annual election, and it will be deducted from your paycheck before taxes are applied.

Please Note: per IRS regulations, pre-tax deductions are non-refundable.

Paycheck Deductions

If enrolling in the FSA during Open Enrollment, your annual election will be divided into equal amounts and deducted from your paycheck over the first 24 pay periods of the plan year. These deductions are taken from your gross pay before your federal, state, social security, and city (if applicable) income taxes are withheld. The deductions are then contributed to your FSA for your use on eligible expenses.

FSA Program Costs

Employees do not pay any fees to participate in the FSA. The FSA program is funded by the Office of Employee Relations, in partnership with state public employee unions. The Legislature and Unified Court System also contribute on behalf of their employees.

FSA Administration

The FSA is administered in compliance with Sections 125 and 129 of the Internal Revenue Code. The State of New York retains the services of an FSA administrator, Total Administrative Services Corporation (TASC).

When Does Coverage End?

If you leave the payroll due to termination, leave without pay, or any other reason, your HCSA coverage will end. Your last day to incur an HCSA expense is the last day of the month in which you left payroll.

If you have a question about your situation, contact the FSA administrator at **800-358-7202**.

Everyday Savings Stories—Five Case Studies*

Health Care Spending Account



5-year FSA participant: *Allergy Relief in the Spring*

My seasonal allergies hit hard each spring. I spend about \$300 each year just managing symptoms. By paying with my HCSA debit card, I use pre-tax dollars and save over \$85 in taxes while keeping my budget under control.



2-year FSA participant: *Family Travel Necessities*

I love to take my family to New York's State Parks every summer. Before the trip, I stock up on sunscreen, anti-nausea medication for the car ride, and first-aid supplies. I simply swipe my TASC Card at the store to pay for these HCSA eligible expenses, saving me money on purchases I'd make anyway.

Dependent Care Advantage Account



7-year FSA participant: *Summer Camp in the Adirondacks*

I work full-time and send my 8-year-old to day camp while school is out. The camp fees qualify for DCAA reimbursement, saving me hundreds in taxes on my summer camp bill.



4-year FSA participant: *Before & After School Care*

My workday starts before my kids' school drop-off and ends after pick-up. My annual DCAA election was \$5,000. I contributed \$4,400 from my paychecks and received a \$600 DCAA Employer Contribution. I saved over \$1,000 last year!

Adoption Advantage Account



Welcoming a New Family Member

After years of planning, my partner and I have finalized the adoption of a child. From legal fees to travel and court costs, our Adoption Advantage Account helped cover eligible expenses, making it easier to focus on bonding with our new baby instead of worrying about the bills.

* These case studies are provided for illustrative purposes only. They are hypothetical examples based on anonymous feedback from FSA participants. They do not represent real individuals or situations.

Your FSA Program Highlights

PROGRAM HIGHLIGHTS

Calculate Your Contribution and Your Savings

Estimate your out-of-pocket health care and dependent care expenses for the year and calculate your annual savings with FSA Calculator at <https://tasconline.com/fsa-calculator/>.

HCSA Is Fully Funded Up-Front

Day one of the plan year (January 1) you will have your entire contribution amount available to use—no need to wait for payroll deductions to add up!

CARRYOVER & GRACE PERIOD

HCSA Carryover:

Don't lose your unused contribution! The HCSA is a use-it-or-lose-it benefit over the IRS carryover limit. The IRS allows you to carryover up to \$660 of unused HCSA contributions from 2025 into 2026, and up to \$680 from 2026 into 2027. Any unused HCSA contributions remaining at the end of the run-out period (January 1–March 31, 2027) for the 2026 FSA plan year will carryover to the 2027 FSA plan year, whether you re-enroll in the FSA or not. Any unused amount in excess of the carryover limit after the run-out period will be forfeited.

DCAA and Adoption Grace Period:

Got leftover Dependent Care or Adoption FSA funds? You've got until March 15, 2027 to spend them on new expenses—and until March 31, 2027 to submit your 2026 claims.

FSA & YOUR OTHER BENEFITS

Social Security (FICA):

FSA contributions may reduce your Social Security taxes—and in turn, your future benefits. The impact is usually minimal and often offset by current tax savings. Questions? Contact SSA at <https://ssa.gov> or 800-772-1213.

NYS Pension:

No impact—your pension contributions and benefits stay the same.

SUNY Tax-Deferred Annuity:

Not impacted by FSA participation.

NYS Deferred Compensation Plan:

Usually not impacted. However, if you contribute a percentage of your salary, FSA contributions lower the base salary used—potentially reducing your contribution slightly.

Please consult your tax preparer, tax attorney, or accountant if you have any questions regarding your specific tax situation.

HCSA VS. HSA

NYS offers a Health Care Spending Account (HCSA)—a pre-tax FSA that gives you your full annual amount up front.

Health Savings Accounts (HSAs) are **not** offered by NYS. HSAs are only available through employers that offer high deductible health insurance plans. NYS does not offer any high deductible health insurance plans to employees.

**Enroll today for
the FSA accounts that
are the right fit for you
and your family.**

**Once you've made your elections,
be sure to submit your enrollment
before the deadline—
December 8 at 11:59 p.m. ET.**



Ready, Set... Eligible?

Eligibility Requirements

The HCSA and DCAA are open to New York State employees of Executive Branch state agencies, the State University of New York, the Legislature, and the Unified Court System.

- All negotiating units in the Unified Court System are eligible to participate.
- Employees of the Roswell Park Comprehensive Cancer Center, NYS Energy Research and Development Authority (NYSERDA), New York Liquidation Bureau, and Environmental Facilities Corporation (EFC) are also eligible to participate.

Employees who wish to enroll in the HCSA must also:

- Work at least half-time
- Be permanently employed or expect to be employed for the entire calendar year in which they plan to enroll in the HCSA (employees

who work on a semester or school year basis are also eligible)

- Meet the eligibility criteria for enrollment in the New York State Health Insurance Program (NYSHIP) and
- If an Executive Branch employee, be either M/C or represented by CSEA, PEF, UUP, NYSCOPBA, Council 82, PBANYS, DC-37, PBA, or NYSPIA.

Who is Not Eligible to Enroll?

- GSEU-represented, casual, seasonal, session, per diem, fee basis employees, and retirees are not eligible to participate in the HCSA.
- Employees paid on a fee basis are not eligible to participate in the DCAA.
- Employees of New York Liquidation Bureau are not eligible to participate in the Adoption Advantage Account.

Why It Pays to Enroll

Put more money in your pocket by using pre-tax dollars for health care, dependent care, and adoption expenses. With an FSA, you lower your taxable income, save on taxes each paycheck, and may boost your chances of qualifying for the Earned Income Tax Credit. It's instant savings every paycheck!

	With FSA	Without FSA
Annual Gross Income	\$45,000	\$45,000
FSA Deposit for Eligible Expenses	- 3,200	—
Taxable Gross Income	\$41,800	\$45,000
Federal, Social Security Taxes	- 16,416	- 17,319
Annual Net Income	\$25,384	\$27,681
Cost of Eligible Expenses	—	- 3,200
Spendable Income	\$25,384	\$24,481
Potential Annual Savings	\$903	

Your Enrollment Game Plan

Important Enrollment Reminders:

- Open enrollment elections will be accepted November 1–December 8, 2025 at 11:59 p.m. ET.
- The December 8 enrollment deadline is strictly enforced and IRS regulations do not allow exceptions if you miss the deadline, regardless of your reason.
- FSA enrollment is not automatic—you must re-enroll each year.
- Enroll early to avoid delays or issues.
- You will receive an email from Bentek confirming your enrollment was submitted.
- Your last submitted open enrollment election will be your final 2026 election(s).
- After open enrollment ends, you will receive a welcome email from TASC confirming your 2026 elections and 12-digit TASC ID.
- Returning participants will continue to use the same TASC Card.
- New participants will receive their TASC Card in an unmarked white envelopment in the mail by December 31, 2025. If you do not receive your card, contact TASC at **800-358-7202**.
- Your Bentek email is your UserName with TASC. Please use a personal email address to avoid account disruptions in the event you change agencies or leave state service mid-year.

Helpful Hint:

You can find your Employee ID# by looking for the area on your paystub identified as “NYS EMPLID” located next to the “Department ID” and under the “Pay Start Date/Pay End Date” section. You can find this at: New York State Payroll Online.

Enrollment by Telephone:

Call **800-358-7202** to have a TASC customer service representative enroll you over the phone.

Online Bentek Enrollment:

1. Access Bentek

Navigate to <https://app.mybentek.com/nysfsa> or scan the QR code below.

2. Log In or Register

Returning Participants: Log into your Bentek account.

New Participants: Click on “Don’t have an account? Create one.” You will need your Employee ID, Department ID, Bargaining Unit, and name as it appears on your most recent pay stub. Follow directions to create your Username and Password.

3. My Benefit Elections

Choose your election for the next plan year. Enroll in HCSA, DCAA, or Adoption plans.

4. Verify My Elections

Review enrollment elections and submit your session. You are not permitted to change your annual election during the plan year unless you experience a qualifying life event (QLE).



Enrollment is done through Bentek on behalf of TASC.

**RETURNING USERS:
LOG IN**

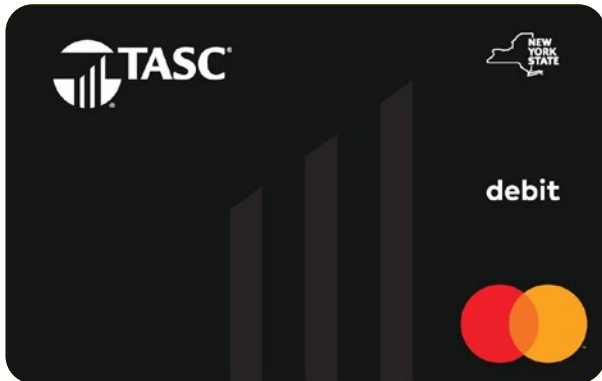


**NEW USERS:
CREATE ACCOUNT**

Reimbursements Made Simple

Managing Your FSA Account

You will access your account information by logging into your TASC account at <https://www.tasconline.com>. The first time you access your TASC account, you need to sign up. On the Sign in page, find the **First time here?** prompt and click **Sign up** to establish access. Your TASC account username is the email address you provided when you enrolled. Please call **800-358-7202** for assistance logging into your TASC account.



TASC Card

Your TASC Card is the preferred and most convenient method to access available benefit account funds for all eligible expenses. It automatically pays for and verifies most eligible expenses at the point of purchase, eliminating the need to request a reimbursement and wait for payment. IRS regulations require you to keep your receipts for HCSA expenses. **Please Note:** 2025 FSA participants will continue to use the same card.



Mobile App

You can also use your smartphone to manage your account with the TASC Mobile App. You can get the free mobile app from app stores.



There is no charge to download the TASC Mobile app, but rates from your wireless provider may apply.

Requesting Reimbursement

If you paid out of pocket, you could request reimbursement online or through the TASC app. Just remember—IRS regulations require you to keep your receipts. You'll also need to upload documentation to support your claim.

To substantiate your **HCSA** expenses, your statement, invoice, bill, receipt, or Explanation of Benefits (EOB) must include:

- Patient name (the name of the person who received the service)
- Provider name and address
- Date of service
- Amount you paid (like a copay or deductible)
- Type of service (a description of the service provided, items purchased, or the drug name/ Rx number if it's a prescription).

For **DCAA** expenses, your documentation must include:

- Dependent's name and age
- Provider name, address, and SSN or Tax ID
- Dates of service
- Total cost

Getting Reimbursed or Paying Providers

You have two options for accessing your funds:

1. Pay the Provider

TASC can pay your provider directly from your benefit account.

2. Reimbursement via MyCash

Your approved reimbursements go to your MyCash account on your TASC Card. You can use the funds by:

- Swiping your TASC Card anywhere Mastercard is accepted
- Withdrawing cash at an ATM (PIN required)
- Transferring to your personal bank account

Timing

Claims are usually processed in 1–2 business days. You have until March 31 after the plan year ends to submit claims.

Appeal Process

You are entitled to request a review of any denied claim. Appeals should be submitted within 180 days from the denial. Appeal requests should be directed to FSA Administrator (TASC) You will be notified of a decision within 30 calendar days of your appeal being received.

When Life Changes, So Can Your FSA—New Hire

New Hire FSA Coverage Timeline

You must enroll within 60 calendar days of your hiring date.

Reminder: If you miss the 60-day New Hire Enrollment window, you must wait for the next Open Enrollment period.

Bentek Profile

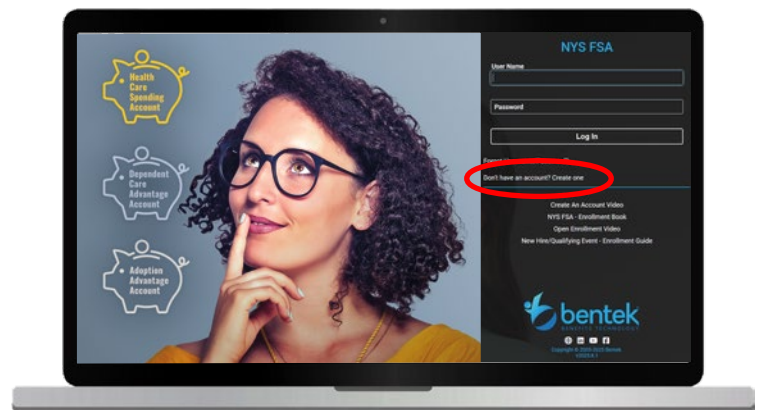
- To get started, go to <https://app.mybentek.com/nysfsa> or scan the Bentek QR code on page 7.
- After selecting “Don’t have an account? Create one” you will be prompted to the screen shown at right.
- Here you will need to provide: Employee ID, Department ID, Bargaining Unit, and name as it appears on your most recent pay stub.

Health Care Spending Account (HCSA)

- New employees must meet the eligibility criteria (see page 6) to participate in the HCSA.
- Your period of coverage will begin on your 31st consecutive calendar day of employment or the date your enrollment is received, whichever is later.
- The plan year contribution amount will then be prorated over the remaining pay periods in the calendar year.
- Deductions will start with the first payroll date that occurs after you become eligible to submit claims.
- You will be able to submit claims for eligible expenses incurred on or after that date through December 31 of the plan year in which you are enrolled.

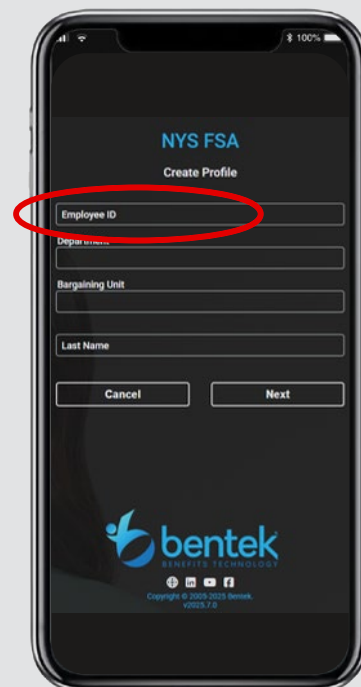
DCAA and Adoption

- New employees are immediately eligible to enroll for this benefit.
- Your period of coverage will begin on the date of your QLE event or date your election is submitted, which ever is later.
- The plan year contribution amount will then be prorated over the remaining pay periods in the calendar year.
- Deductions will begin within two pay cycles of the date your submit your election.
- You will be able to submit claims for eligible expenses incurred on or after that date through March 15 of the following plan year.



Helpful Hint:

Make sure you are typing the N (or letter) and the number zero (0) for your Employee ID #, and your last name is spelled exactly as it appears on your pay stub.



When Life Changes, So Can Your FSA

QUALIFYING LIFE EVENT (QLE)

In general, you must enroll during the open enrollment period if you would like to contribute to an FSA. Once you are enrolled in the FSA, your election amount is locked in and your pre-tax deductions will continue throughout the plan year. However, if you experience an eligible QLE during the plan year, you may be permitted to enroll or adjust your contribution amount, if consistent with the event. QLE elections must be submitted within 60 calendar days of the event, but as soon as possible to prevent unwanted, non-refundable deductions.

Please see the chart on page 11 for examples of QLEs.

Please Note: QLE elections will be accepted during the plan year from January 2–October 31, 2026 for events that occur on or before October 31, 2026. QLE applications submitted after October 31, 2026 cannot be processed in time for the last deduction of the year.

HCSA: Your period of coverage will begin on the date of your qualifying event or the date your QLE election is received, whichever is later. You will be able to submit claims for eligible expenses incurred on or after that date through December 31, 2026.

DCAA and Adoption: Your period of coverage will begin on the date of your qualifying event or the date your QLE election is received, whichever is later. You will be able to submit claims for eligible expenses incurred on or after that date through March 15, 2027.

What Happens After a QLE Election?

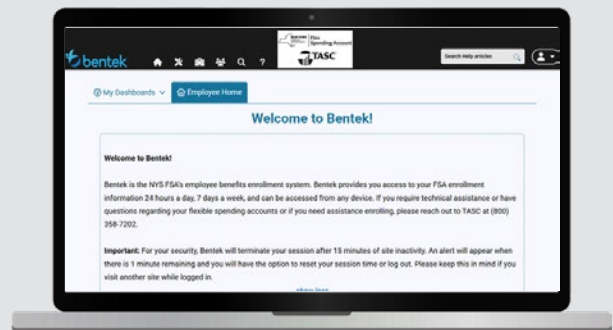
No need to upload extra documentation—just be sure to keep legal records for your own files in case of an IRS audit. You can disregard this message in Bentek.

Following approval of your QLE, payroll changes and any updated deductions will be applied in the first pay period per your agency's payroll schedule.

If your QLE does not occur for any reason, log in to your online account to change or cancel your QLE.

To Submit a QLE or New Hire Election:

1. Log into or register your Bentek account at <https://app.mybentek.com/nysfsa>.
2. From **Employee Home**, click on **Life Events**
3. Click on **(+) Life Events**, then select the applicable event from the drop down and follow instructions to submit your event.



For more
information, please visit
our website:

<https://oer.ny.gov/fsa>

When Life Changes, So Can Your FSA

QUALIFYING LIFE EVENTS (QLE)	HCSA				DCAA			
	Enroll	Increase	Decrease	Waive	Enroll	Increase	Decrease	Waive
What state employees may do:								
Change in Legal Marital Status								
Marriage	✓	✓			✓	✓	✓	✓
Divorce, legal separation, annulment, death			✓		✓	✓	✓	✓
Change in Dependent Status								
Birth, adoption	✓	✓			✓	✓	✓	✓
Change in custody of eligible dependent	no changes permitted				✓	✓	✓	✓
Dependent reaches age 13	no changes permitted						✓	✓
Dependent disability					✓	✓	✓	✓
Gain of dependent's health insurance eligibility			✓	✓	no changes permitted			
Loss of dependent's health insurance eligibility	✓	✓			no changes permitted			
Changes to Employment								
Beginning of State employment	✓				✓			
Return from an unpaid leave of absence	✓	✓			✓	✓	✓	✓
Change in work schedule (employee or spouse)	no changes permitted				✓	✓	✓	✓
Gain of spouse's health insurance eligibility			✓	✓	no changes permitted			
Loss of spouse's health insurance eligibility	✓	✓			no changes permitted			
Dependent Care Changes								
Change in care provider	no changes permitted				✓	✓	✓	✓
Change in rate paid (only if provider is not a relative)	no changes permitted				✓	✓	✓	✓
Change in use of care	no changes permitted				✓	✓	✓	✓
Loss of another Dependent Care Assistance plan's coverage	no changes permitted				✓	✓		
Commencement or termination of adoption proceedings	permits changes to Adoption plan							

Important FSA Rules

LEAVE WITHOUT PAY OR TERMINATION

If you retire, leave state employment, go on leave without pay, or otherwise stop contributing to your account, your deductions will stop.

HCSA: Your coverage will end. You will still be able to submit claims for expenses that occur on or before the last day of the month of your final paycheck deduction.

DCAA and Adoption: Your coverage will continue and eligible expenses that are received from your initial eligibility date through March 15, 2027 will be reimbursed.

Leave With Pay

Payroll deductions will continue for participants on sick leave, sick leave at half-pay, and vacation provided there are sufficient funds in the paycheck. Deductions will not continue for employees receiving short- or long-term disability benefits through the Income Protection Plan (IPP). Some situations may be considered eligible qualifying events.

RETURNING TO PAYROLL

HCSA: If you return to the payroll during the same plan year, you can re-enroll by submitting a QLE election within 60 calendar days of your return to the payroll.

If you leave and return to the payroll, you may re-enroll, but only for the same election amount that you had at the time you left the payroll. However, you will have two separate periods of coverage from which expenses can be incurred and reimbursed. You will not be reimbursed for health care services during the time period when you were not contributing to your account.

If you leave and return to payroll within 30 calendar days and have missed a deduction, please contact FSA@oer.ny.gov within 14 calendar days of your return to payroll date to reinstate your HCSA.

DCAA and Adoption: If you return to the payroll and have missed a deduction, you may re-enroll to restart your deductions by submitting a QLE election within 60 calendar days of your return to work.

Qualifying Life Event (QLE)

QLE enrollments will be accepted during the plan year between January 1–October 31. If you have questions, contact the FSA administrator at **800-358-7202**.

WHAT TO DO AT TAX TIME

HCSA: When you receive your W-2, the salary reported in Box 1 will already be reduced to reflect your HCSA contributions. You are not required to file any tax form to report your HCSA contributions.

DCAA: When you receive your W-2, your total DCAA contributions and employer contribution will be reflected in Box 10. You will need to file IRS Form 2441 when you file your Federal Income Tax Return.

Adoption: When you receive your W-2, the salary reported in Box 1 will already be reduced to reflect your plan year contributions. You will also need to file IRS Form 8839 when you file your Federal Tax Income Return.

Heads-up: You can't double-dip on tax breaks. If you use a Dependent Care FSA, you can't also claim those same expenses for the Dependent Care Tax Credit. In some cases, the tax credit may save you more—talk to your tax advisor to decide what works best.

Please consult your tax preparer, tax attorney, or accountant if you have questions regarding your specific tax situation.

EXTENDED COVERAGE OPTIONS

Pre-Pay: This option is only available to you during Open Enrollment. You can contribute your full annual election before you leave the payroll, which will allow you to use your account for expenses incurred after you leave. During open enrollment, make sure to indicate the number of paychecks you expect to receive prior to your official termination from the NYS payroll.

Continuation of Coverage: You continue to contribute to the HCSA after you leave the payroll by making after-tax payments directly to the FSA administrator; you will be able to submit claims for services that occur after you leave NYS. The FSA administrator will send you a notice to elect continuation of coverage that you must sign and return by the specified deadline.

Health Care Spending Account (HCSA)

Important HCSA Information

The Health Care Spending Account (HCSA) allows you to pay for eligible health-related expenses using pre-tax dollars. That's because you can use the pre-tax dollars that are deducted from your paycheck towards expenses like copays and coinsurance that you may now be paying for out-of-pocket.

You can contribute between \$100 and \$3,400 for 2026. **Please Note:** the maximum contribution may change each year based on IRS limits.

Here's the best part: the full amount you choose to contribute is available from Jan. 1. So even if payday hasn't hit yet, your HCSA funds are ready when you need them.

What Expenses Are Covered?

To be reimbursed through your HCSA, expenses must be for medically necessary health care services and must be incurred during your plan year (or within your coverage period if you enrolled mid-year).

To be eligible for reimbursement, a health care expense must be:

- For you or an eligible dependent
- Permitted under the Internal Revenue Code
- Medically necessary
- Not reimbursed by your health insurance or any other benefit plan, nor will you seek reimbursement from such plans

Just remember—you can get reimbursed once the service happens—you don't need to wait until you get the bill or make the payment.

When Letter of Medical Necessity (LOMN) Is Required

These expenses aren't automatically covered—they're only eligible if they're used to treat a diagnosed medical condition. You'll need a LOMN from your doctor that includes the reason for the treatment, the diagnosis, when it started, and their signature. These services include:

- Massage treatments
- Nursing services for case of a special medical ailment
- Orthopedic shoes (excess cost of ordinary shoes)
- Oxygen equipment and oxygen support hose
- Veneers
- Vitamins & dietary supplements
- Wigs (for mental health condition of individual who loses hair because of a disease)

Who Is Covered by Your HCSA?

Use your HCSA to cover eligible expenses for:

- Yourself
- Your spouse
- Your qualifying child
- Your qualifying relative

Special Rule for Divorced Parents

If you share custody, a child is treated as a dependent of both parents for HCSA purposes—so either parent can be reimbursed for the child's eligible expenses.

Contribution Limits: You and Your Spouse

The HCSA limit is per employee, so if you have a spouse with an FSA, they can contribute up to \$3,400 in their account as well, even if you both work for the State of New York.

Transferring Funds

- Funds cannot be transferred between FSAs.
- You cannot pay a DCAA expense from your HCSA or vice-versa.
- You cannot transfer funds to your spouse's FSA or an FSA you may have in the upcoming plan year.

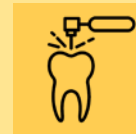


**If you have questions
about whether an individual
qualifies for coverage,
please visit:**

<https://oer.ny.gov/fsa>

HCSA: Sample Eligible Expenses*

- Dental services: crowns/bridges, dental implants, dentures, teeth cleaning
- Vision services: contact lenses, eye exams, glasses, prescription sunglasses
- Insurance-related items: copays, deductibles
- Lab exams/tests: blood tests, CT scans, EKGs, MRIs
- Over-the-counter (OTC) medications and drugs: allergy, cough, cold, and flu medications, pain relievers, stomach and nausea remedies, family planning items
- Obstetric services: Lamaze, lactation consultant services
- Medical treatments/procedures: dialysis, acupuncture, hearing exams
- Practitioners: allergist, chiropractor, nurse practitioner
- Medical equipment supplies/services: blood sugar test kits/supplies, insulin, denture adhesives, rubbing alcohol, thermometers
- Prescription medications
- Mileage/transportation expenses: must be primarily for, and essential to, receiving medical care.



Sample Ineligible Medical Expenses

- Cosmetic surgery and procedures, including teeth whitening
- Herbs, vitamins and supplements used for general health
- Insurance premiums
- Personal use items such as toothpaste, shaving cream and makeup
- Prescription drugs imported from another country
- Services outside your period of coverage
- Expenses that are reimbursed by another plan or program



“I use my HCSA for everything from copays to contacts. I swipe my TASC Card—no paperwork, no stress!”

** For additional eligible items please visit <https://oer.ny.gov/fsa>.*

Dependent Care Advantage Account (DCAA)

Important DCAA Information

The Dependent Care Advantage Account (DCAA) helps you pay for childcare, elder care, or care for a disabled dependent—using pre-tax dollars. That means you can save money on expenses you're already paying for, like daycare, preschool, and afterschool programs.

You can contribute up to \$7,500 per household (or \$3,750 if single, or married, filing separately).

Please Note: If you mistakenly enroll in DCAA, you cannot remove DCAA election and then be enrolled into the HCSA.

Unlike the HCSA, the DCAA is not pre-funded. You can only use the money as it's added from each paycheck. For example: Elect \$2,400 for the year? You'll have \$100 to spend after your first pay period.

To use the DCAA, you must be paying for dependent care so that you and your spouse (if you are married) can work or go to school. If your spouse is not disabled, not at work, or not in school, it is assumed they are available to care for the dependent.

Dependent care must be for a qualifying individual—like a child under the age of 13 or a dependent of any age who is disabled and lives with you at least eight hours a day. You can choose in-home care or care at a facility, but it cannot be provided by someone you also claim as a dependent.

DCAA Regulations

The care provided to your dependent must be so you (and your spouse if you're married) can work or look for work. "Work" may include actively looking for a job. It doesn't include unpaid volunteer work or volunteer work for a nominal salary. Your spouse is considered to have worked if they are a full-time student for at least five calendar months during the tax year or if they are incapable of selfcare.

Double-dipping

Expenses reimbursed under your DCAA can't also be reimbursed under your spouse's Dependent Care FSA and vice versa. You can't use the same account for the same expenses.

Special Rule for Divorced Parents

While an eligible child of divorced parents is treated as a dependent of both parents for an HCSA, only the custodial parent of divorced or legally separated parents can be reimbursed using the DCAA.

Tax Reporting Requirements

When participating in the DCAA, you must identify all persons or organizations that provide care for your child or dependent. You do this by filing IRS Form 2441—Child and Dependent Care Expenses, along with your federal return.

Please consult your tax preparer, tax attorney, or accountant if you have questions regarding your specific tax situation.

Use your DCAA to cover eligible expenses for your qualifying child, individual, or relative.



DCAA: Employer Contribution

Employer Contribution

As a result of collective bargaining agreements between the State and the public employee unions, many employees are eligible for an employer contribution from New York State to help you pay for dependent care expenses. In order to receive this contribution, you need to enroll in the DCAA employer contribution.

If you're eligible, the State will automatically deposit funds into your account. You can enroll for just the employer contribution or add your own pre-tax dollars—up to the annual IRS household limit. Just remember to include the employer contribution in your total DCAA election amount.

This benefit will be available in 2026 for unions that have agreements in place.

Who's Eligible?

The following employees are currently eligible for the employer contribution:

- Employees of Executive Branch state agencies, Roswell Park Comprehensive Cancer Center, or State University of New York who are designated Management Confidential (M/C) or represented by Civil Service Employees Association (CSEA), Public Employees Federation (PEF), United University Professions (UUP), NYS Correctional Officers and Police Benevolent Association (NYSCOPBA), Council-82, District Council 37 (DC-37), Police Benevolent Association of New York State, Inc. (PBANYS), or Graduate Student Employees Union (GSEU)
- The Unified Court System (except Negotiating Unit #88)
- The Legislature, NYSERDA, or EFC

If you're eligible, it's a simple way to stretch your budget—don't leave money on the table!

Here's what else you should know:

- The employer contribution is not taxed, just like your own DCAA contributions—so it increases your savings without increasing your taxable income.
- You don't have to contribute your own funds to receive the employer contribution—but you can add your own funds up to the IRS limit.
- It's use-it-or-lose-it—so make sure to plan and use the full amount by the end of the plan year.
- If both you and your spouse are State employees and each eligible, you can both receive the employer contribution in separate DCAA accounts. Just be sure you don't go over the IRS limit!
- There is no employer contribution for the HCSA—only the DCAA.

Salary Range	Employer Contribution
Under \$30,000	\$1,100
\$30,001–\$40,000	\$1,000
\$40,001–\$50,000	\$900
\$50,001–\$60,000	\$800
\$60,001–\$70,000	\$700
Over \$70,000	\$600
GSEU Employees	\$900

“Who doesn't want a little help paying for dependent care expenses? The DCAA employer contribution was the boost I needed to pay for my child's summer day camp. One less thing for me to stress about while I'm at work!”



DCAA: Sample Eligible Expenses*

- Fees for licensed child care or adult care facilities
- Before and after school care programs for dependents under age 13
- Amounts paid for services provided in or outside of your home, including babysitters or nursery school (preschool)
- Nanny and au pair expenses (attributed to dependent care)
- Summer day camp—primary purpose must be custodial care
- Late pick-up fees
- Device for lifting a mobility impaired person into an automobile
- Automobile equipment and installation costs for a disabled person in excess of the cost of an ordinary automobile
- Braille books and magazines in excess of the cost of regular editions
- Visual alert system in the home or other items, such as a special phone required for a hearing impaired person
- Wheelchair or autoette (cost of operating and maintaining)



Sample Ineligible Expenses

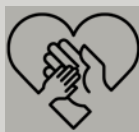
- Expenses related to a dependent's medical care
- Money paid to your spouse, your child under 19, a parent of your child who is not your spouse, or a person for whom you or your spouse is entitled to a personal tax exemption as a dependent
- Expenses related to care for a disabled spouse or tax dependent living outside your home
- Educational expenses (such as summer school and tutoring programs)
- Food expenses (unless it cannot be separated from care)
- Incidental expenses such as extra charges for supplies, special events or activities, unless it cannot be separated from care
- Overnight camp
- Tuition for kindergarten and later grades

“This will be my fourth year participating in the DCAA. It’s saved me thousands of dollars on paying for my child’s daycare expenses.”



** For additional eligible items please visit <https://oer.ny.gov/fsa>.*

Adoption Advantage Account (Adoption)



Adoption Support with Tax Savings

In the process of adopting? The Adoption Advantage Account can help ease the financial load. Eligible employees can set aside up to \$17,670 in pre-tax payroll deductions to cover qualified adoption expenses. While Social Security taxes still apply, you'll save on federal and state (where applicable) income taxes.

Eligible Expenses*

You can use your account to pay for a wide range of adoption-related expenses, including:

- Home study and application fees
- Reasonable and necessary legal adoption fees
- Court and attorney costs
- Agency fees
- Medical services for children with special needs
- Travel and lodging
- Other expenses directly related to, and for the principal purpose of, a legal adoption

Who Is an Eligible Child?

An eligible child must be under the age of 18 or any disabled individual physically or mentally incapable of self-care and must not be a step-child.

Enrollment Rules to Know

- You can enroll—or stop contributions—within 60 days of starting or ending adoption proceedings. Only expenses incurred after you enroll are eligible for reimbursement.
- Deductions are not refundable—unused funds will be forfeited to the plan.
- You can only be reimbursed for amounts already contributed to your account.

Tax Tip

You may be able to claim the adoption tax credit—but you're responsible for understanding the tax treatment and filing IRS Form 8839 when you submit your federal return.

Please consult your tax preparer, tax attorney, or accountant if you have questions regarding your specific tax situation.



“The adoption process is stressful, uncertain, and expensive. The Adoption Advantage Account helped me grow my family and save me money on the fees associated with adoption.”

** For additional eligible items please visit <https://oer.ny.gov/fsa>.*

FSA Frequently Asked Questions

If I underestimate or overestimate my elections, can I transfer money between my FSA accounts?

No, you can use monies only for the purpose for which the election was initially made. IRS Regulations do not allow monies to be transferred between accounts.

Am I required to participate in the New York State Health Insurance Program (NYSHIP) to enroll in the HCSA?

No, you are not required to participate in NYSHIP to enroll in the HCSA. If you or your spouse have health insurance coverage elsewhere, you can still participate in the HCSA.

I enrolled in the FSA during open enrollment, but don't need it anymore. Can my contributions be refunded?

No. Per IRS regulations, pre-tax deductions are not refundable for any reason. If you are unable to get reimbursed, you will forfeit the money back to the plan. For the HCSA, any remaining contributions up to the IRS carryover limit will carryover from 2026 into 2027. Refer to HCSA Carryover and Grace Period on page 5.

If my spouse and I are state employees, can we both enroll in the HCSA?

Yes. Any eligible state employee may enroll in the HCSA. However, if both spouses enroll, each health care expense can only be reimbursed once.

What if my child turns 13 during the middle of the plan year?

IRS regulations state that once a child turns 13, child care expenses are no longer eligible, unless the child is disabled. "Dependent reaches age 13" is an eligible QLE that will allow you to terminate or decrease the amount you contribute to your DCAA. Refer to To Submit a QLE or New Hire Election on page 10.

How long is my contribution in effect?

Your contribution is in effect until the end of the plan year. Each year you will have the opportunity to re-enroll and select a new annual election amount.

What happens if my medical expenses change during the plan year? Can I increase or decrease my HCSA contributions?

No. A change in medical expenses is not a permitted QLE to increase or decrease your HCSA contributions. Refer to the QLE chart on page 11.

Please Note:

Debit cards are automatically restricted for use with medical, dental, and vision service providers and for items purchased at retail that are identified as qualified medical expenses based on merchant category codes. Employee contribution limits are announced by the IRS.



Flex Spending Account 2026 Enrollment

COVER OUT-OF-POCKET EXPENSES WITH PRE-TAX DOLLARS

FSA Website: <https://oer.ny.gov/fsa>

FSA Hotline: 800-358-7202

FSA Email: fsa@oer.ny.gov



New York State Office of Employee Relations | Governor Kathy Hochul | Director Michael N. Volforte

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