HEALTH SAVINGS ACCOUNT (HSA) AND FLEXIBLE SPENDING ACCOUNTS (FSAS)

Summary Plan Description

IQVIA provides the opportunity to save on your health care and dependent care expenses by participating in a Health Savings Account (HSA) and/or Flexible Spending Account (FSA). These accounts allow you to benefit from tax savings when you set aside money on a pre-tax basis to use towards eligible expenses.

For More Information

For information about your legal rights under ERISA, general information on claims review and appeal procedures, and other important administrative details, see the *Administrative Information* section. To contact the plan administrator, use the information listed in the *Contacts* section.

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AT A GLANCE

You can save money on your health care and dependent care expenses by enrolling in and contributing pre-tax dollars to a Health Savings Account (HSA) and/or Flexible Spending Account (FSA). IQVIA offers the following accounts.

	Health Savings Account (HSA)	Health Care FSA	Combination FSA	Dependent Care FSA
Available to Employees	Enrolled in the $1,850 or $2,850 Deductible Plan	Enrolled in the $400 Deductible or $900 Deductible PPO Plan Not enrolled in an IQVIA medical plan	Enrolled in the $1,850 or $2,850 Deductible Plan (and contributing to HSA)	All employees regardless of medical plan
You Can Contribute (annually)	Employee only —$3,650 Family — $7,300 If you are age 55 or older in 2022, you may contribute an additional $1,000	Up to $2,850	Up to $2,850	Up to $5,000 (or $2,500 if you are married and filing separately)
Eligible Expenses	Medical, prescription drug, dental and vision	Medical, prescription drug, dental and vision	Dental and vision (and medical after the medical plan deductible is met)	Dependent care expenses, such as child day care and elder care
Funds Carry Over	Yes, the money in your account is always yours to keep	No, money cannot be carried over to the next year	No, money cannot be carried over to the next year	No, money cannot be carried over to the next year

Questions?

If you have questions about the Health Savings and Flexible Spending Accounts, call Mercer Marketplace 365 at 866-268-0142 or log on to their website at www.mercermarketplace365plus.com/IQVIA.

HEALTH SPENDING ACCOUNT (HSA)

ANSWERS TO FREQUENTLY ASKED QUESTIONS

What are the tax advantages of an HSA?

A Health Savings Account has a triple-tax advantage. Your contributions, withdrawals for eligible expenses, and earnings on interest or investments, are all tax-free.

What are the contribution limits?

There are HSA rules when it comes to contribution limits. The 2022 contribution limits, as determined by the IRS, are $3,650 for an individual and $7,300 for family. If you are age 55 or older in 2022, you may contribute an additional $1,000.

What is a qualified expense?

HSA qualified expenses are determined by the IRS and include a wide variety of products and services, including prescription medication, copays and lab fees. To find out if an expense is eligible, visit www.mercermarketplace365plus.com/IQVIA.

When can I make contribution changes?

You can change the amount you contribute to your account at any time during the plan year.

Can I have an HSA and a Flexible Spending Account (FSA)?

You can enroll in certain types of FSAs while you're enrolled in a Health Savings Account, including the Combination FSA and a Dependent Care FSA. However, you can't enroll in a Health Savings Account and a Health Care FSA at the same time.

What's the difference between an HSA vs. FSA?

Both accounts can help you save on eligible expenses, but they're very different. What is the biggest difference? An FSA has a "use it or lose it" rule, which means FSA funds must be spent by the end of the plan year. All Health Savings Account funds can roll over from year-to-year.

ELIGIBILITY AND ENROLLMENT

You can contribute to an HSA if you enroll in the $1,850 Deductible Plan or $2,850 Deductible Plan, as long as you are not:

- Claimed as a dependent on anyone else's tax return.
- Covered by any other medical insurance, such as a spouse's or domestic partner's medical plan, TRICARE or Medicaid.
- Covered by Medicare Parts A or B.
- Participating in a Health Care FSA in the same calendar year you sign up for the $1,850 Deductible Plan or the $2,850 Deductible Plan.

You can establish an HSA anytime during the year once you are enrolled in the $1,850 Deductible Plan or $2,850 Deductible Plan, or during annual enrollment. You will need to authorize IQVIA to open the account on your behalf through Mercer Marketplace 365. Then, you can elect your HSA contribution amount.

For more information about eligibility and enrollment, see the *Participating in the Health Care Plans* section.

Making Changes

You can change your contribution elections anytime during the plan year.

HOW THE HSA WORKS

The Health Savings Account is a tax-advantaged account available to IQVIA employees who elect the $1,850 Deductible Plan or $2,850 Deductible Plan

- You decide how much to save and can change that amount at any time. Contribute up to the annual IRS limit of $3,650 for individuals or $7,300 for family coverage; $1,000 additional contribution is allowed for employees age 55 or older in 2022.
- Use the money to pay for eligible medical, prescription drug, dental and vision care expenses. You can use the HSA debit card to pay after you receive care, or reimburse yourself for payments you've made (up to the available balance in the account). You can pay for deductibles, coinsurance, prescription drugs, out-of-pocket expenses and more — for a complete list; see IRS Publication 502 at www.irs.gov/publications/p502/index.html.
- You can access your funds up to the available balance once services are rendered. You can only get the money out that you've put into the account as of the day you submit the claim.

- Contributions are made from your paycheck on a pre-tax basis, and the money will never be taxed when used for eligible expenses. Money in an HSA can be withdrawn tax-free as long as it is used to pay for qualified health-related expenses. If money is used for ineligible expenses, you will pay ordinary income tax on the amount withdrawn, plus a 20% penalty tax if you withdraw the money before age 65.
- Invest your HSA funds in mutual fund options — just like you would invest your 401k dollars — to grow your balance even more.
- It's your money. Unused money can be carried over each year and invested for the future — you can even take it with you if you leave your job at IQVIA.

How the HSA Debit Card Works

If you enroll in an HSA, you will receive a debit card (Benefits Debit Card) in the mail. No activation is required. With the swipe of your card at approved locations, you automatically withdraw funds from your HSA to pay for eligible expenses.

Keep all receipts for your transactions. The HSA and the debit card are regulated by the IRS, so you may be required to substantiate your purchases. You can check your HSA balance and transaction history any time at http://accounts.mercermarketplace.com. You can also obtain your account information by calling Mercer Marketplace at 866-268-0142.

Annual Contributions

You can contribute up to the annual IRS limit of $3,650 for individuals or $7,300 for family coverage; $1,000 additional contribution is allowed for employees age 55 or older in 2022.

Annual contributions are deducted evenly from each of your paychecks throughout the year.

Eligible Expenses

Examples of eligible HSA expenses include:*:

- Acupuncture
- Chiropractor's fees
- Psychiatric care
- Hospital services
- Operations
- Diagnostic fees
- Ambulance
- Christian Science practitioners' fees
- Psychoanalysis
- Immunization fees
- Eyeglasses
- Artificial limbs
- Osteopathic physicians
- Psychologist visits
- Insulin
- Contact lenses
- Eye exams
- Artificial teeth
- Hearing aids
- Sterilization medication
- Laboratory fees
- Guide dog
- Birth control (pills, condoms, spermicides)
- Contact lens solution
- Transplants (organs)
- Oxygen
- Medical services
- Crutches
- Wheelchair
- Braces
- Prescription drugs
- Hearing aid batteries
- Nursing services
- Dental fees
- X-ray

* A detailed list, IRS Publication 502, Medical and Dental Expenses, is available at www.irs.gov.

FLEXIBLE SPENDING ACCOUNTS (FSAS)

What Is the Combination FSA?

The Combination FSA is a "limited-purpose" FSA available only to participants in the $1,850 Deductible and $2,850 Deductible medical plans who are enrolled in an HSA. It is designed to work together with the HSA for additional tax savings. This account can be used on eligible dental and vision expenses (and medical expenses after the medical plan deductible is met).

Health Care and Dependent Care Flexible Spending Accounts (FSAs) let you contribute to an account you can use to reimburse yourself for eligible health care or dependent care expenses. The following types of FSAs are offered:

- Health Care FSA – available for those enrolled in the $400 Deductible and $900 Deductible PPO Plans only, or no medical coverage.
- Combination FSA – available for those enrolled in the $1,850 Deductible and $2,850 Deductible Plans only and enrolled in an HSA.
- Dependent Care FSA– available to employees regardless of medical coverage.

ANSWERS TO FREQUENTLY ASKED QUESTIONS

May I change my FSA contributions during the year?

Only if you have a change in life status and the change in your contributions is consistent with your life status change. For more about qualified life status changes, see the *Participating in the Health Care Plans* section.

If I do not use up my full account balance, what happens to the money?

Any money left in your account at the end of the calendar year may be used to cover eligible expenses you had while you were contributing to the account during that calendar year. You must file a claim by March 31 of the following year. Then, any money that is left will be forfeited, according to IRS regulations.

What happens to my FSA if I leave employment with IQVIA during the year?

No further contributions will go into your account. You may continue to submit Health Care FSA claims for expenses you had while you were employed for 90 days following your termination date. You may also continue your Health Care FSA through COBRA until the end of the year. Continuation is not available for the Dependent Care FSA. You may submit claims for dependent care throughout the calendar year.

What happens if I terminate employment with IQVIA and I am rehired in the same plan year? Can I elect a new health FSA election?

If you are rehired within 30 days of your termination (within the same calendar year) and wish to participate in the health care FSA, you must resume your previous election for the health care FSA for the remainder of the calendar year. You cannot make a new election until the next annual open enrollment period.

Can I transfer between my Health Care FSA to my Dependent Care FSA?

No. The accounts work separately. Based on IRS rules, you cannot transfer money between the accounts.

Can I have a Flexible Spending Account (FSA) and an HSA?

You can enroll in certain types of FSAs while you're enrolled in a Health Savings Account, including the Combination FSA and a Dependent Care FSA. However, you can't enroll in a Health Savings Account and a Health Care FSA at the same time.

Can I order a replacement FSA debit card or an additional card for my spouse?

Yes, please contact Mercer Marketplace at 866-268-0142 to request a new card.

ELIGIBILITY AND ENROLLMENT

All eligible full-time or part-time employees can participate in the IQVIA Flexible Spending Accounts (FSAs) on your hire date.

You can enroll within 30 days of your date of hire (or within 30 days of when you become eligible, if later). Even if you enroll when first eligible, you must actively enroll during open enrollment in the fall if you wish to continue participating in an FSA for the following year. If you don't actively enroll for the FSAs during open enrollment, you will not be able to participate for the following year. However, as long as you participate in an FSA through the end of the calendar year, you may continue to file claims until March 31 of the following year.

For more information about eligibility and enrollment, see the *Participating in the Health Care Plans* section.

Mid-Year Changes

You may not change your contribution amount or stop participating in an FSA during the year unless you experience a qualified life status change (such as marriage, birth of a child, etc.). For more about qualified life status changes, see the *Participating in the Health Care Plans* section.

If you terminate employment before year-end, you may submit Dependent Care claims for expenses incurred during the remainder of the calendar year.

If you terminate employment before year-end, you may submit Heath Care FSA or Combination FSA claims for dates of service on or before your termination date. Health Care FSA or Combination FSA claims must be submitted within 90 days after your termination date. Also, you may be eligible to continue your Health Care FSA or Combination FSA through the end of the calendar year under COBRA. See "The Health Care FSA and Combination FSA" on page 111 for more information.

HOW FSAS WORK

Save Money with an FSA

You pay less in taxes by contributing to a Health Care or Combination FSA and/or Dependent Care FSA.

If you participate in a FSA, you decide how much money to set aside from your paycheck to pay for eligible expenses for you and your dependents.

Separate Health Care FSA, Combination FSA or Dependent Care FSA recordkeeping accounts are set up in your name and your pre-tax contributions are credited to the accounts each pay period. As you pay eligible expenses through the account, you save money by using tax-free dollars.

The FSAs generally work in the same way:

1. You estimate your eligible health care and dependent day care expenses for the upcoming calendar year.
2. You decide how much to contribute to each account. Because of the "Use it or Lose it" rule, it's a good idea to be conservative in your estimates.
3. The company will deduct your contributions from your paycheck before federal, Social Security or Medicare and most state and local income taxes are calculated, and credit your account with those funds.

Sign Up for Direct Deposit

Sign up any time for easy reimbursement through direct deposit.

4. You can pay for eligible expenses with the FSA debit card, which automatically deducts funds from your FSA, with no claim forms to file. Be sure to keep all receipts. The FSAs and the FSA debit card are regulated by the IRS, so you may be required to substantiate your purchases. There are also automatic reimbursement options: the automatic orthodontia reimbursement option for the Health Care and Combination FSA and the automatic dependent care reimbursement option for the Dependent Care FSA.
5. If you can't use the FSA debit card or auto reimbursement to pay expenses, you can still use your FSA to pay for eligible expenses, but you will need to file claims. When you incur an eligible expense, you pay the provider and submit a claim form along with your receipts. Health Care and Combination FSA claims are reimbursed based on your annual contribution amount. Dependent Care claims are reimbursed based on your current account balance. You will be reimbursed by check or direct deposit with tax-free dollars.

"Use it or Lose it"

It is important to plan contributions to the FSAs carefully. In order to maintain a tax-free plan, the Internal Revenue Service (IRS) requires that if you do not use all of the money in your account(s) by the end of the year, it will be forfeited. As an active employee, you have until March 31 of the following year to submit claims incurred during the plan year for the Health Care FSA, Combination FSA and Dependent Care FSA. If you terminate employment during the plan year, you have 90 days after coverage ends to submit claims for the Health Care or Combination FSA. You may submit dependent care expenses incurred through the remainder of the calendar year.

How the FSA Debit Card Works

If you enroll in an FSA, you will receive a debit card (Benefits Debit Card) in the mail. No activation is required. With the swipe of your card at approved locations, you automatically withdraw funds from your Health Care FSA to pay for prescriptions and copays at the doctor's office, emergency room and more. Your debit card is valid for three years.

The FSA debit card will automatically debit your FSA account based on the guidelines established by the IRS. The card may not work for certain health care expenses, including some dental and vision expenses, and medical expenses if you're not enrolled in a IQVIA medical plan. If your card is denied, you can still use your FSA to pay for these expenses, but you will need to file a traditional claim.

Keep all receipts for your transactions. The FSAs and the debit card are regulated by the IRS, so you may be required to substantiate your purchases. You can check your FSA balance and transaction history any time at **www.yourflexbenefits.mercermarketplace365.com**. You can also obtain your account information by calling Mercer Marketplace at 866-268-0142.

THE HEALTH CARE FSA AND COMBINATION FSA

Your Health Care FSA can be used to pay for IRS-approved health care expenses not covered by any other health plan.

The Combination FSA is available to HSA participants. You cannot participate in both an HSA and a regular Health Care FSA. The Combination FSA can be used only on eligible dental and vision expenses (and medical expenses after the medical plan deductible is met).

Annual Contributions

Each year, you may elect to have between $60 and $2,850 deducted from your pay on a pre-tax basis to fund a Health Care or Combination FSA. Annual contributions are deducted evenly from each of your paychecks throughout the year.

Your Dependents

You may submit expenses for dependents up to age 26 who are eligible to participate in the IQVIA Medical Plan, with the exception of domestic partners and their children who you are not able to claim on your tax return. For dependent eligibility requirements, see the *Participating in the Health Care Plans* section.

Eligible Expenses

In order to be eligible for reimbursement from your Health Care or Combination FSA, expenses must not be covered by another health plan and must qualify as eligible expenses by the IRS. **Keep in mind, that the Combination FSA can only be used on eligible dental and vision expenses (and medical expenses after the medical plan deductible is met).** For IRS guidelines regarding eligibility, you may log on to the IRS website at www.irs.gov or call 800-829-3676 and request Publication 502.

Eligible Dependents

You can submit Health Care and Combination FSA expenses for eligible dependents even if they are not enrolled in IQVIA medical coverage.

The following are examples of expenses that may be eligible for reimbursement:

- Acupuncture treatments.
- Birth control items.
- Childbirth classes.
- Copays and coinsurance payments.
- Deductibles.
- Hearing exams and hearing aids.
- Home modifications for medical reasons, e.g., wheelchair ramp.
- Inpatient treatment at a center for alcohol or drug addiction.
- Medically necessary fees paid to doctors, dentists, surgeons, chiropractors, psychiatrists, psychologists and Christian Science practitioners not covered by another plan.
- Prescription drugs not covered by another plan.
- Prescription eyeglasses or contact lenses.
- Qualified long-term care services.
- Smoking-cessation programs and drugs prescribed to alleviate nicotine withdrawal (nicotine gum and nicotine patches, which do not require a prescription, are not eligible).
- Special schooling for physically or mentally handicapped children.
- Speech therapy.
- Transportation costs primarily for and essential to medical care.
- Vision services, including laser vision correction.
- Weight-loss programs associated with a specific disease.
- Wheelchairs and crutches.

Ineligible Expenses

The following are examples of expenses that are not eligible for reimbursement:

- A trip or program for the general improvement of your health.
- Dental bleaching.
- Expenses paid by an insurance company or reimbursed to you from another source.
- Expenses you plan to claim as a deduction on your federal income tax return.
- Expenses reimbursed through your spouse's health care account.
- Health club dues.
- Most cosmetic surgery.
- Nicotine gum and patches that do not require a prescription.
- Premiums for a medical, dental or vision plan.
- Weight-loss programs for general health and appearance.

Accessing Health Care FSA Funds

The FSA debit card gives you direct access to your Health Care or Combination FSA. When you enroll in the Health Care or Combination FSA, you will automatically receive an FSA debit card (Benefits Debit Card). The FSA debit card helps eliminate the need to file claims every time you incur an eligible expense.

Note that if you participate in both the HSA and Combination FSA, you will receive one Benefits Debit Card to use for both accounts.

Automatic Orthodontia Reimbursement

If you or a covered dependent is scheduled for regular orthodontia expenses not covered by a dental plan, you may sign up for automatic orthodontia reimbursement. Fill out the Automatic Orthodontia Request Form available from the Mercer Marketplace website at **www.yourflexbenefits.mercermarketplace365.com**. You'll need to attach a copy of the contract or letter from your orthodontist outlining your payment plan.

Filing a Traditional Claim

If you need to submit a traditional claim, you may do so via:

- Fax
- Online
- Mail

For details on claims filing, go to the Mercer Marketplace website at **www.yourflexbenefits.mercermarketplace365.com**.

You have until March 31 of the following year or 90 days after coverage ends, whichever comes first, to submit expenses incurred during the current calendar year. If you think that your claim will be delivered after March 31, you should send it "Certified" in order to confirm that you mailed it by March 31. If you do not submit claims by March 31, you will forfeit any money remaining in your accounts.

For the Health Care or Combination FSA, you will be reimbursed up to the total amount of your annual contributions, even if the full amount has not yet been credited to your account.

Health Care FSA Example

Assume you have $1,000 deducted from your pay to fund your Health Care FSA for the year ($83.33/month). In March, you incur an eligible health care expense of $500. You may be reimbursed for the entire $500, even though you only have about $250 in your account. Once you reach your $1,000 limit, you may not submit any more claims for the year.

Continuing Your Health Care FSA through COBRA

If you terminate employment during the year, you can elect to continue your participation in the Health Care or Combination FSA for the remainder of the year under certain conditions under COBRA. You may only continue to participate in the Health Care or Combination FSA if you have elected to contribute more money than you have taken out in claims. For example, if you elected to contribute an annual amount of $500 and, at the time you terminate employment, you have contributed $300 but only claimed $150, you may elect to continue coverage under the Health Care or Combination FSA. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the $500. However, you must continue to pay for the coverage just as the money has been taken out of your paycheck, but on an after-tax basis. You may also be charged a 2% administrative fee to provide this benefit.

See the *COBRA* section for more information.

Discontinuing Your Health Care or Combination FSA

If you discontinue your Health Care or Combination FSA as a result of a life status change, you may not submit expenses incurred after that date. You may continue to submit claims for expenses incurred before the change in coverage for 90 days after your contributions end. According to IRS regulations, if there is money remaining in your account after you have been reimbursed for expenses incurred before the change, it will be forfeited.

THE DEPENDENT CARE FSA

If you and your spouse (if you are married) are employed, or your spouse attends school full-time, or is disabled and incapable of self-care, you may contribute pre-tax money to a Dependent Care FSA to cover expenses for the care of dependent children or adults while you are at work. Note: The Dependent Care FSA is for reimbursement of dependent day care expenses only and not dependent health care expenses.

Annual Contributions

Each year, you may elect to have between $60 and $5,000 deducted from your pay on a pre-tax basis to fund a Dependent Care FSA. Annual contributions are deducted evenly from each of your paychecks throughout the year.

Your Dependents

Eligible dependents for the purposes of the Dependent Care FSA are different from those eligible for other benefits, including the Health Care FSA. Dependent Care FSA eligible dependents include:

- Children under age 13 who you claim as dependents on your federal tax return.
- Children under age 13 for whom you have legal custody and do not claim as an exemption on your tax return.
- Any person (child, spouse, elderly parent) who is physically or mentally incapable of self-care for whom you are entitled to claim as a dependent on your federal tax return and who lives with you for more than one-half of the year.

For dependents who are not a “qualifying child,” the dependent cannot earn gross income in excess of the annual exemption ($4,300 in 2021).

Contribution Limits

Your annual contributions are reduced from $5,000 to $2,500 if:

- You are married, and you and your spouse file separate tax returns.
- Your spouse contributes to a dependent care account.

Please note: The IRS dependent care limit per family is $5,000.

Eligible Expenses

The Dependent Care FSA pays for IRS approved dependent care expenses that you and your spouse (if married) incur while working or looking for a job. To verify IRS eligibility, you may log on to the IRS website at www.irs.gov or call 800-829-3676 and request Publication 503.

The following are examples of expenses that may be eligible for reimbursement:

- Home-based daycare providers who comply with all state and local regulations.
- Individuals, including relatives, who provide care in or outside your home (other than your dependents or your children under age 19).
- Licensed daycare centers for children and adults, and nursery schools.
- Nanny expenses for services provided in your home.
- Summer day camp.

Ineligible Expenses

The following are examples of expenses that are not eligible for reimbursement:

- Care provided by your spouse, your children under age 19, or any other dependent.
- Care provided for non-work related reasons.
- Educational expenses, supplies or meals unless these costs can’t be separated from an eligible expense.
- Elementary school fees and expenses (kindergarten and beyond).
- Expenses paid to a housekeeper, maid, cook, etc., unless specific to the care of your dependent.
- Expenses reimbursed through your spouse’s dependent care account.
- Expenses you plan to take as a tax credit on your federal income tax return.
- Overnight camp.

Accessing Dependent Care FSA Funds

The FSA debit card gives you direct access to your Dependent Care FSA. When you enroll in the Dependent Care FSA, you will automatically receive an FSA debit card (Benefits Debit Card). The FSA debit card helps eliminate the need to file claims every time you incur an eligible expense.

Automatic Dependent Care Reimbursement

With the automatic dependent care reimbursement option, you submit one form per year for each day care provider you use and reimbursement is sent automatically. Fill out the Dependent Care Documentation Form available from **www.yourflexbenefits.mercermarketplace365.com**.

Filing a Traditional Claim

To file a traditional claim, you may do so via:

- Fax
- Online
- Mail

For details on claims filing, go to **www.yourflexbenefits.mercermarketplace365.com**.

Submit Your Claims by March 31

Remember to submit your claims by March 31 of the following year.

You have until March 31 of the following year to submit expenses incurred during the current calendar year. If you think that your claim will be delivered after March 31, you should send it "Certified" in order to confirm that you mailed it by March 31. If you do not submit claims by March 31, you will forfeit any money remaining in your accounts.

For the Dependent Care FSA, you will be reimbursed up to the amount of your current account balance.

Dependent Care Example

Assume you have $3,000 deducted from your pay to fund your Dependent Care FSA for the year ($250/month). In January, you incur an eligible dependent care expense of $300. You will be reimbursed for $250 (your current account balance) and will automatically receive a check for the remaining $50 when you have enough money in your account to cover the reimbursement.

Discontinuing Your Dependent Care FSA

If you discontinue your Dependent Care FSA as a result of a life status change, you may not submit expenses incurred after that date. You may continue to submit claims for expenses incurred before the change in coverage for 90 days after your contributions end. According to IRS regulations, if there is money remaining in your account after you have been reimbursed for expenses incurred before the change, it will be forfeited.

OTHER IMPORTANT INFORMATION

Keeping Track of Your Account

You can keep track of your account activity by logging on to the Mercer Marketplace website at www.yourflexbenefits.mercermarketplace365.com. You can also call 866-268-0142.

- Participation in the FSA Plan is optional; you may enroll in one, both or neither of the spending accounts.
- You do not have to enroll in the Medical or Dental Plans to participate in the FSA Plan.
- You do not have to have family medical or dental coverage to submit expenses for your eligible dependents. However, the definition of an eligible dependent is different for the Dependent Care FSA. See the *Participating in the Health Care Plans* section.
- Your life insurance and disability benefits are based on your annual base salary and are not affected by your contributions to the FSA Plan.
- Money in the FSA accounts is nontransferable. If you run out of money in your Dependent Care FSA, you may not use money in your Health Care FSA to pay for dependent care expenses and vice versa.
- You may only submit expenses that are incurred during the current calendar year.
- You have until March 31 of the following year to submit expenses incurred during the current calendar year. If you think that your claim will be delivered after March 31, you should send it "Certified" in order to confirm that you mailed it by March 31. If you do not submit claims by March 31, you will forfeit any money remaining in your accounts.

- You may only submit expenses that are incurred while you (or a dependent) are participating in the FSA Plan.
- If you are hired mid-year, the annual contribution limits do not decrease. You are still eligible to deposit the maximum amount. The total amount you elect will be taken in equal deductions from the remaining pays in that calendar year.
- Because you are not paying FICA taxes on your contributions, participating in the FSA Plan may result in a slight reduction in your Social Security benefits at retirement. Generally, the effect on your benefits will be minimal and offset by the money you save in taxes by participating in the plan.

TAX TREATMENT

There are some important tax issues that you should be aware of when using IQVIA FSAs, including how pre-tax contributions can save you money and details about the dependent care tax credit.

Pre-Tax Contributions

Your contributions and reimbursements are not subject to federal, Social Security or Medicare and in most cases, state and local taxes. By paying for your health and dependent care expenses with pre-tax money, your take-home pay is more than if you paid the expenses after taxes.

An Example

You could save $2,592 each year if:

- You and your spouse both work and together make $90,000 per year.
- You have one dependent child, and you file a joint return.
- You contribute $2,400 to a Health Care FSA.
- You contribute $5,000 to the Dependent Care FSA to pay for care while your spouse works.

Health Care and Dependent Care Expenses

	With the FSAs	Without the FSAs
Gross Monthly Salary	$7,500	$7,500
Health Care FSA	– $200	$0
Dependent Care FSA	– $416	$0
Taxable Income	$6,884	$7,500
Taxes	– $2,409	– $2,625
Take-home Pay after Taxes	$4,475	$4,875
After-tax Health Care Expenses	$0	– $200
After-tax Dependent Care expenses	$0	– $416
Monthly Take-home Pay	$4,475	$4,259
Estimated Tax Savings*	**$216/month, or $2,592/year**	

* The tax savings shown here are general estimates only. Your actual taxes may be more or less, as tax rates may vary based on your location and your tax filing status.

Tip: Take Advantage of Tax Savings

If your family's adjusted gross income is $24,000 or more, your tax advantage is usually greater with the Dependent Care FSA.

Dependent Care FSA vs. Dependent Care Tax Credit

Using the Dependent Care FSA will affect the amount you can deduct for the federal dependent care tax credit. You may not take an income tax credit on your tax return and get reimbursed from your Dependent Care FSA for the same expenses.

You may want to consult a financial advisor regarding your individual situation.