

KNOW YOUR BENEFITS

Limited Purpose FSAs



UNIVERSITY OF
SOUTH ALABAMA

A Limited Purpose Flexible Spending Account will be offered with the USA Consumer HDHP plan. A LPFSA allows you to save pre-tax dollars to pay for vision and dental expenses.

What is a limited-purpose FSA?

A Limited Purpose Flexible Spending Account (LPFSA) is a type of savings account that allows you to set aside pre-tax dollars for eligible dental and vision expenses.

What are the advantages of a limited-purpose FSA?

Tax Savings: Contributions to a LPFSA are made with pre-tax dollars, which can lower your taxable income.

Eligible Expenses: Use your LPFSA funds for a wide range of dental and vision expenses, including routine check-ups, eyeglasses, contact lenses dental procedures and more!

Easy Access: Access your funds easily with your HealthEquity benefits debit card or through reimbursements.

Use It or Lose It: LPFSA funds must be used within the plan year, so plan your contributions carefully.

How Does a LPFSA Work?

- 1. Enroll in the LPFSA:** During Open Enrollment, elect the amount you want to contribute for the upcoming year.
- 2. Contribute Pre-Tax Dollars:** Your elected amount will be deducted from your paycheck in equal amounts throughout the year, pre-tax. You will have access to the full amount you contribute January 1, 2025.
- 3. Use Your Funds:** Pay for eligible dental and vision expenses directly using your LPFSA debit card or submit a claim for reimbursement.

Why Consider a LPFSA?

A LPFSA is a great addition to a Health Savings Account (HSA) if you're enrolling in the USA Consumer HDHP plan. It allows you to maximize your tax savings while ensuring you have funds set aside for dental and vision expenses. If you have planned future dental or vision expenses a LPFSA may be a good choice for you.