

UPDATE:

IRS BELATEDLY ANNOUNCED THE INCREASE FOR HEALTH CARE TO \$2,700.

All City Employees in the following unions:

ATTORNEY CUSTODIANS, DENTAL HYGENISTS, IUOE, MAA (*POS), NURSES (*POS), PAY PLAN, POLICE (*POS), UAW, & UE

ENROLLMENT FORMS ARE DUE

The City of Stamford, in conformance with various collective bargaining agreements, offers you the opportunity to participate in a benefit option called a Flexible Reimbursement Account Plan.

PLEASE NOTE: If you are enrolled in the High Deductible Health Plan (HDHP), you are not eligible to enroll in the Health Care Flexible Reimbursement Account. However, you can elect the Limited Purpose Flexible Spending Account for Dental and Vision Only.

The Reimbursement Account Plan includes a:

- Medical Reimbursement Account, and a
- Dependent Care Reimbursement Account

How The Reimbursement Accounts Work

A Reimbursement Account allows you to set aside pre-tax dollars in a special account to reimburse yourself for certain health and dependent care expenses. You can set aside up to \$2,650 for the health care account and up to \$5,000 for the dependent care account. Once you decide how much you want to set aside, deductions are taken equally from your paycheck each pay period before income, Social Security (if applicable) and Medicare taxes are taken out.

When you incur an eligible expense, you pay it – just as you do now – and then apply for reimbursement from the appropriate Reimbursement Account.

You can choose to participate in only one of the Reimbursement Accounts, or both. Reimbursements will be paid to you directly. The result is that you pay for eligible medical and dependent care expenses with tax-free dollars ... and tax-free dollars mean increased buying power. Every dollar you direct to the Reimbursement Account is worth a full dollar of spendable income.