ThrivePass
www.thrivepass.com

DCFSA FAQ for Employees

A Dependent Care FSA (DCFSA) can help you save! Participants save about 30% in taxes on the total amount they contribute.

What is a Dependent Care FSA?

A Dependent Care Flexible Spending Account (DCFSA) allows you to set aside a portion of your paycheck on a pre-tax basis to cover eligible dependent care expenses, supporting your ability to work or search for employment.

Why should I participate?

Contributions to the account are deducted from your paycheck before income taxes are applied, reducing your taxable income. On average, participants save about 30% in taxes on the total amount they contribute to the account.

How do I contribute to a DCFSA?

After you make your annual election during open enrollment, your employer will evenly deduct this amount from your paycheck on a pre-tax basis throughout the year.

How much can I contribute?

The IRS sets annual contribution limits for 2027 at **$7,500** for single individuals or married couples filing jointly and **$3,750** for those married and filing separately.

Who qualifies as a dependent?

Your DCFSA can be used to cover care expenses for children under age 13 whom you claim as dependents, as well as for adults or other relatives who are unable to care for themselves, provided you cover more than 50% of their support.

What type of care is eligible?

You can use DCFSA dollars for eligible dependent care expenses, such as childcare for children under 13, care for dependents who cannot care for themselves, and services at care centers, preschools, after-school programs, summer camps, or in-home nannies—if these services enable you to work or look for work.

For more information, please call
+1-866-855-2844

ThrivePass
www.thrivepass.com

DCFSA FAQ for Employees

What type of care is not eligible?

Expenses for care of a child age 13 or older, overnight camp, non-work-related babysitting, and school fees for kindergarten or higher grades are not eligible.

Are there restrictions on who can care for my dependents?

Yes, you cannot use funds to pay for care provided by a spouse, a person you claim as a dependent for income tax purposes, or your child under the age of 19.

Can I access my full election amount at the start of the year?

No, you will only have access to DCFSA funds that have already been deducted from your paycheck.

How do I use the funds in my account?

If you have a benefits debit card and your care provider accepts credit cards, you can pay directly from your account. Otherwise, pay out-of-pocket and submit a reimbursement claim with the necessary expense documentation.

Can I change my election amount mid-year?

Typically, you cannot change your contribution mid-year. However, if you experience a qualifying status change event, as defined by the IRS—such as the birth of a child or a significant change in your child care provider's rates—you may be eligible to adjust your contribution.

What happens to my account if my employment is terminated?

Participation in the plan is also terminated. However, you may have additional time after your termination date to submit claims for eligible expenses incurred during your employment. For further details, please consult your HR team or contact ThrivePass Customer Support.

What happens if I don't use all my funds by the end of the year?

It's important to estimate conservatively during elections, as any unused funds at the end of the plan year are forfeited. This is known as the use-it-or-lose-it rule.