



Washington State Health Care Authority
Public Employees Benefits Board
PO Box 42684 • Olympia, Washington 98504-2684
hca.wa.gov/erb

October 2, 2024

Name
Address
City, St ZIP

You may receive a \$250 FSA contribution in 2025

Dear Subscriber:

You may be eligible for a \$250 Flexible Spending Arrangement (FSA) (formerly called the Medical FSA) contribution through your collective bargaining agreement. You may be eligible for this benefit if:

- You are employed in a PEBB benefits-eligible position on January 1, 2025.
- You are a union-represented employee.
- Your union is part of the Health Care Coalition described in RCW 41.80.020(3).
- Your rate of pay on November 1, 2024 is \$60,000 or less for a full-time equivalent position.
 - If you work part-time, you may still qualify for this contribution if your position pays a salary of \$60,000 or less per year as a full-time employee. For example, if you earn \$30,000 and work 20 hours per week, your full-time salary would be \$60,000 and you would still qualify.
- You met the other eligibility criteria as described in the Health Care Coalition Agreement, including PEBB Program eligibility requirements and eligible medical plan enrollment.

How can I spend the \$250?

You can use your FSA to pay for health care costs that your insurance doesn't cover like copays, deductibles, over-the-counter medications, and more. Use the funds for qualified medical expenses for yourself, your spouse, or other qualified dependents, even if they are not enrolled on your PEBB medical, dental, or vision plan.

If you are eligible, you will get the \$250 contribution automatically in late January 2025. It **will not** come out of your paycheck and you do not have to do anything to get the funds.

How will I get the \$250?

If this is your first time getting this benefit and you do not enroll in an FSA for 2025, Navia Benefit Solutions (the FSA administrator) will open an account in your name with the \$250 contribution. They will mail you a welcome letter with your enrollment confirmation, followed by a Navia Benefits Debit Mastercard that you can use to spend the funds. For security purposes, the debit card comes in a plain envelope and is **not** labeled with a Navia or PEBB logo.

If you got this benefit in January 2024, or you've had an FSA in the last three years, you **will not** get a new debit card from Navia Benefit Solutions. Instead, the \$250 will be added to your existing FSA. If you need a new debit card, contact Navia at 1-800-669-3539. You will still get a welcome letter in the mail along with your enrollment confirmation notice.



Can I add more money to my FSA?

Yes. You can enroll in an FSA for 2025 during annual open enrollment, October 28 through November 25. You can contribute up to the IRS-mandated cap of \$3,200. The employer-paid contribution of \$250 **does not** count against the maximum FSA contribution. This means you can contribute up to \$3,200, get the extra \$250 and have a \$3,450 FSA.

Do I have to use the \$250

No. If you do not want the \$250, you do not have to use it. Unused funds may carry over for you to use in the next plan year. However, any funds below \$120 if you do not re-enroll or above \$640 (regardless of enrollment status) will be forfeited to the plan administrator, the Health Care Authority per IRS rules.

What would make me ineligible for this benefit?

You **will not** get the \$250 FSA contribution if:

- Your rate of pay on November 1, 2024 is more than \$60,000 per year.
 - If you work part-time and your position would pay \$60,000 or more per year at full-time,.
- You or your spouse or state-registered domestic partner (SRDP) enroll in a consumer-directed health plan (CDHP) with a health savings account (HSA) for 2024. Internal Revenue Service rules do not permit a person or their spouse or SRDP to have both an FSA and an HSA at the same time, because both are tax-preferred benefits. If you cannot receive the \$250 for this reason, the collective bargaining agreement does not allow the \$250 to be distributed or used in any other way. You will forfeit this benefit.
- You are no longer eligible for PEBB benefits by the date the benefit is distributed.
- You waive PEBB medical coverage, unless you waive to enroll as a dependent on someone else's PEBB medical plan (that is not a CDHP with an HSA).
- You are no longer part of a qualifying union.

Where can I learn more?

If you have questions about eligibility for this benefit, please contact your payroll or benefits office. You can also learn more about FSAs in general and get a full list of eligible health care expenses by visiting Navia's website at pebb.naviabenefits.com.

Sincerely,
PEBB Program