2026 OPEN ENROLLMENT

For Flexible Spending Accounts and Transportation & Parking Benefit

If you would like to enroll in the Flexible Spending Accounts (FSAs) or Transportation Benefits for 2026, the Open Enrollment will be held from November 17 through November 28, 2025 for an effective date of January 1, 2026.

Health Care FSA

The Health Care FSA allows you to set aside **pre-tax dollars** to use for eligible expenses such as office visit and prescription drug copays. You may contribute a maximum of **$3,400 per year**. The plan year runs January 1, 2026 until December 31, 2026 with a 2½ month grace period extension until March 15, 2027.

Two and a Half Month Grace Period

The FSA Grace Period runs through March 15th of the following plan year. The FSA Grace Period is an extended period of coverage at the end of every plan year that allows you extra time to incur expenses to use your remaining medical Flexible Spending Account balance after the close of the plan year.

Dependent Care FSA

The Dependent Care FSA is a great way to pay for dependent care expenses for qualifying dependents with **pre-tax dollars**. You may set aside a maximum of **$7,500 per year** if you are married and filing a joint tax return or **$3,750 per year** if you are married and filing separately.

Transportation Benefits (Ride Eco & Parking Reimbursement)

This benefit allows you to set aside **pre-tax dollars** to use for eligible expenses to pay for qualified mass transit and parking expenses associated with your commute to work. You may contribute up to a maximum of **$340 per month**.

Mass transportation:

- Expenses incurred for commuter transportation via train, subway, bus or transit via van-pooling (vehicle must seat six adults not including the driver and at least 80% of mileage must be used to drive to and from work) will be eligible for reimbursement.

Parking:

- Expenses incurred by parking near your place of employment or commuter parking at or near a point of mass transit will be eligible for reimbursement.

IMPORTANT:

Open Enrollment is your once per year opportunity to enroll. You cannot make changes unless you experience a Qualified Life Event.

If you are interested in enrolling for 2026, please complete the enrollment form and return the form to Audra Booker, abooker@yaleschoolnj.com The enrollment form must be sent to Audra Booker no later than November 28.

Frequently Asked Questions

What is an FSA?

A Flexible Spending Account (FSA) is an employer-sponsored benefit that allows you to set aside pre-tax money from your paycheck to pay for eligible out-of-pocket medical or dependent care expenses.

What are the main types of FSAs?

The two primary types are:

Health Care FSA (HCFSA):

- Used for qualified medical, dental, and vision expenses for you, your spouse, and dependents. This includes deductibles, copayments, and coinsurance.

Dependent Care FSA (DCFSA):

- Used for eligible dependent care services, such as preschool, summer day camp, and before- or after-school care, that are necessary for you (and your spouse) to work or look for work.

How does an FSA save me money?

Contributions to your FSA are made using pre-tax dollars, which lowers your overall taxable income.

Do I have to be enrolled in my employer's health insurance plan to have a Health Care FSA?

No, you do not have to participate in a health insurance plan to contribute to a Health Care FSA.

Can I change my annual election amount mid-year?

Generally No. You must make your election amount during open enrollment. However, you may be able to change your contribution if you experience a qualifying life event, such as marriage, divorce, the birth or adoption of a child, or a change in employment status.

What expenses are eligible for a Health Care FSA?

Eligible expenses include a wide variety of medical, dental, and vision care costs not covered by insurance, such as deductibles, copayments, prescription medications, eyeglasses, contacts, and dental work. A comprehensive list of eligible items can be found in IRS Publication 502.

Can I use my FSA funds to pay for health insurance premiums?

No, insurance premiums are not an eligible FSA expense.

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

FSAs are subject to a "use-it-or-lose-it" rule, meaning any unused funds at the end of the plan year are generally forfeited.

Are there exceptions to the "use-it-or-lose-it" rule?

Yes, Y.A.L.E. School offers a Grace Period of 2 1/2 month into the new plan year to incur new expenses and use the previous year's money.