



Limited Purpose Flexible Spending Plan

Metropolitan Library System

Welcome to HealthSmart!

Enclosed is Your Benefit Plan
Enrollment Guide

Effective Date: 7/1/2023



Limited Purpose Flexible Spending Account

Overview:

Extend your HSA tax savings for dental & vision with a Limited Purpose Flexible Spending Account (LPFSA)

What is it?

An LPFSA is a tax-advantaged account that can be combined with an HSA and allows you to save specifically for vision & dental expenses.

What you need to know:

- Pre-tax contributions lower your taxable income, making each dollar stretch 30% further.
- Your full election amount is available on the first day of the plan year – like a tax-free, interest-free loan.
- Election changes require a qualifying event, like your health plan.
- Unused funds at the end of the plan year will be forfeited.

Funding two accounts allows you to maximize your savings potential:

- **HSA Covers Medical**
- **Limited Purpose FSA covers Vision and Dental**