

# Daycare Flex Accounts (DCA Flex Account)



Your Flex\$ Dependent Daycare Account may be used to reimburse you for eligible day care expenses. Day Care expenses for dependent children are subject to requirements and limitations of the Internal Revenue Code Section 125:

- » Your dependent day care expenses must be incurred to allow you and your spouse to work or to look for work. It cannot be used for babysitting expenses for social events.

You can only pay a relative if they are over the age of 19 by the end of the tax year and you cannot claim them as a dependent on your taxes. This includes the employee, spouse, or parent of your qualifying child. See **Dependent Eligibility** (below).

*\*\*You may allocate up to \$5000.00 per tax year for reimbursement of dependent day care expenses. (\$2500.00 if you are married and file a separate tax return).*

## Eligible Expenses

- » Wages paid to a qualified dependent day care provider for services inside out outside of your home.
- » Employer taxes paid on the wages of a dependent day care provider.
- » Costs for "away from home facilities", as long as your dependent spends at least 8 hours a day at home.
- » Services provided by a *qualified* day care center.
- » Any other qualified dependent day care expenses as defined by the Internal Revenue Code.

You may **not** use a dependent day care account for the following: elementary school (K-12), secondary schools, summer schools, sports fees, sports camps, overnight camps, dance lessons, education, or art classes.

You cannot claim a tax credit on your income taxes for dependent day care expenses reimbursed through your DCA Flex Account. Consult your tax advisor to determine what is best for you.

You cannot include any expense that is excluded by Federal Regulations including but not limited to food, clothing, or educational services, unless these services are minimal or insignificant and inseparable from the portion of the expense that is for care, or for the individual's well being and protection.

## Dependent Eligibility

- » An eligible dependent is someone who falls into one of the following categories:
- » Your eligible dependent under age 13 and is your tax dependent
- » Your spouse, dependent and/or qualifying relative who is physically or mentally not able to care for himself or herself that you claim as a tax dependent.

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## Flex Dependent Daycare Claims - Reimbursement Procedures

**Flex MasterCard are not provided for Daycare expenses.** This is a reimbursement process to the member for services that have been rendered and paid to your Daycare provider. Under IRS guidelines, expenses are "incurred" when the services are received and not when the participant is formally billed, charged, or pays for the services. Pre-payments are Ineligible.

### Claim Requirements for filing

Receipt or statement from your daycare provider that includes:

- » Your provider's name
- » Provider Tax ID or EIN
- » Child's name or children, if you have multiple children, you are filing reimbursement for
- » Dates services were incurred
- » Amount billed and amount paid to your provider

### Electronic claims

- » Log in to your account on PEHP.org
- » Click on My Benefits, then Access my Flex and HRA account. Accept and continue. This will take you to the Flex Dashboard.
- » Click on Menu at the top left, click on Claims, Submit a claim for Immediate Reimbursement
- » Follow Claim requirements for filing when attaching your Daycare provider statements

### Hard copy, paper claims

- » Log in to your account on PEHP.org
- » Click on My Benefits then Access my Flex and HRA account. Accept and continue.
- » Click on Menu at the top left, click Resources, then Forms and Documents
- » Print a Flex Claim form PDF – Please make sure you always sign and date your Claim Form
- » Follow claim requirements for filing when attaching your Daycare provider statements

You can send your Hard copy, paper claim through the Message Center on the PEHP website. Choose the Flex option under the subject line in a new message and attach.

Mail: PEHP Attention: Flex to 560 E 200 S SLC, UT. 84102 (this is also on the claim form)

Claims are processed within three to five business days.

Daycare contributions from your payroll are only available after they are received each pay period from your employer and posted to your account.

If you are submitting a claim for an amount greater than the balance available, the system will pay the amount available and then put the remainder of the submitted claim, in a hold queue. The remainder of the amount submitted will be paid out to you automatically after each payroll contribution is posted until the amount of the claim submitted has been paid in full.