



Flexible Spending Account (FSA)

Flexible Spending Accounts let you set aside tax-free dollars (subject to IRS limits) to pay for a wide range of out-of-pocket health care and dependent care expenses. You can use the money in your FSA to reimburse yourself for eligible expenses.

Your Palantir Technologies FSA is managed by Cigna and you can sign up for your FSA via Workday. More details on IRS limits below!

Health Care FSA – IRS Annual Maximum \$3,200

Your Health Care FSA will reimburse you for eligible expenses that you, your spouse/domestic partner, and your children incur during the plan year. The entire annual amount you elect can be used at any time during the plan year even though your contributions are deducted each paycheck. When you incur an eligible expense, you can use your debit card or pay out-of-pocket and submit a reimbursement request with documentation.

Eligible expenses include copays, coinsurance, deductibles, orthodontia, glasses/contact lenses, and much more. For a complete list, refer to IRS Publication 502: Medical and Dental Expenses, available at www.irs.gov/publications.

Note: if you are enrolled in the HDHP with HSA, you are not eligible to participate in the Health Care FSA.

Limited Purpose FSA – IRS Annual Maximum \$3,200

HDHP with HSA participants are eligible to participate in the Limited Purpose Health Care FSA to set aside pre-tax dollars for eligible dental and vision expenses only.

Dependent Care FSA – IRS Annual Maximum \$5,000

Your Dependent Care (or daycare) FSA lets you use “before-tax” dollars to pay daycare expenses for children under the age of 13, or for elder dependents unable to care for themselves. The care must be necessary for you and your spouse to remain employed. Care may be provided through live-in care, babysitters, or licensed daycare centers.

Unlike the Health Care FSA, you can be reimbursed only up to the amount available in your account after your payroll contributions.

Supplemental Information:

- [Health Care FSA](#)
- [Limited Purpose FSA](#)
- [Dependent Care FSA](#)

What's in the fine print?

FSAs offer sizable tax advantages, but are subject to IRS regulations.

- All expenses for the Health Care and Dependent Care Flexible Spending Accounts must be incurred during the plan year: January 1 through December 31.
- The IRS has a strict "Use-It or Lose-It" rule for FSAs.
- At the end of the 2024 plan year, the full balance of unused health care funds will be eligible to roll over.
- Once you enroll in the FSA, you can only change your contribution amount if you experience a qualified status change.
- Each account functions separately. You cannot transfer funds from one FSA to another.

Reminders

Deadline for submission of expenses is March 31st of the following plan year

FAQ - Flexible Spending Account (FSA)

Who should I submit claims to?

Any new claims **incurred** on or after January 1, 2024 should be submitted to Cigna for processing.

How will the FSA rollover work since we're switching health funds

administrators?

- **Health Care and Limited Purpose FSA:** You can carry over up to \$640 of unused funds from 2023 to the 2024 plan year. Because you have until March 31, 2023 to submit expenses **incurred in 2023** to Cigna, they will not be able to transfer any remaining carryover funds until April 2024. You will see carryover funds in your Cigna account by the end of April 2024.
- **Dependent Care FSA:** Unused funds at the end of 2023 will be forfeited.

What are the FSA limits for 2024?

- **Health Care and Limited Purpose FSA:** You can elect to contribute up to \$3,200, and carry over up to \$640 of unused funds from 2024 to the 2025 plan year.
- **Dependent Care FSA:** Contribution limit will continue to be \$5,000. Unused funds at the end of 2024 will be forfeited.