

FLEXIBLE SPENDING

This summary plan description, or SPD, outlines the major provisions of DMBA’s Flexible Spending program as of January 1, 2026.

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Key Points of the Plan

- A family could save hundreds of dollars on taxes annually by using a flexible spending account (FSA) or limited purpose FSA (LPFSA) to pay for eligible healthcare and dependent care expenses.
- Eligible healthcare expenses include medical and dental copayments, coinsurance, and deductibles. See the *FSA/LPFSA/HSA Eligibility List*. To find this list, log in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* select *FSA/LPFSA/HSA Eligibility List*.
- Calculate your FSA withholding carefully and conservatively. Up to \$680 of money remaining in your Healthcare or limited purpose FSA at the end of the year may be eligible to roll over into the next year; however, you may lose money not used in the plan year it was withheld.

What is Flexible Spending?

Flexible spending is a provision of the Internal Revenue Code that allows participants the opportunity to pay for certain benefits—such as healthcare and dependent care—using tax-free money.

The IRS regulates the Flexible Spending program, but DMBA administers it.

How to participate

- Estimate your eligible out-of-pocket healthcare and dependent care expenses for the coming year—copayments, prescriptions, etc., up to \$3,400 for healthcare expenses and up to \$7,500 for dependent care expenses.
- During Open Enrollment, choose how much money you will withhold from your paychecks during the year for these purposes. Elect your chosen amount for one or both Flexible Spending accounts available to you.
- Flexible Spending money is placed from your paycheck into your flexible spending account(s) before taxes are withheld.
- When you have eligible expenses, pay using your DMBA Benefits Card or submit your claims [online](#) or via the DMBA FSA|HSA mobile app and receive reimbursement for those expenses from the appropriate account.

How it saves you money

For example, if you have \$2,500 in out-of-pocket medical expenses during the year, such as doctor visits, prescription copayments, dental work, new glasses, and an unexpected hospital stay, you can save \$625 on your taxes (in a 25% tax bracket).

Type of expense	Out-of-pocket amount	Taxes saved
Physician	\$485	\$121.25
Inpatient Hospital	\$1,125	\$281.25
Pharmacy	\$350	\$87.50
Outpatient Hospital	\$345	\$86.25
Other	\$195	\$48.75

Type of expense	Out-of-pocket amount	Taxes saved
Total	\$2,500	\$625*

* The amount you save in taxes will vary depending on the healthcare amount you set aside, your annual earnings, whether you pay Social Security taxes, the number of exemptions and deductions you claim on your tax return, your tax bracket, and your state and local tax regulations. Check with your tax adviser for information about how participation will affect your tax savings and Social Security benefit.

Eligible Expenses

Healthcare expenses

To see a list of FSA-eligible expenses, log in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* select *FSA/LPFSA/HSA Eligibility List*.

All plan exclusions are in addition to other items and/or services prohibited by federal law, such as medications purchased and brought in from certain other countries. DMBA will not make any exceptions to this policy on exclusions.

Limited purpose expenses

If you choose the DMBA HSA 80 Plan or DMBA HSA 60 Plan, you may be eligible for a limited purpose flexible spending account (LPFSA).

An LPFSA allows you to use pretax dollars for dental and vision expenses only. Unlike a general purpose healthcare FSA, you may use an LPFSA with a health savings account (HSA). Not all dental and vision expenses are eligible for reimbursement. Be sure to review the *FSA/LPFSA/HSA Eligibility List* to determine what can be reimbursed through your LPFSA.

Eligible expenses may be covered by either your LPFSA or your HSA. You may not use funds from both accounts to cover the same expense.

If you are enrolled in an LPFSA in addition to your HSA, you will use the same benefits card for both accounts. If you swipe your card for dental or vision products or services, funds will be debited first from your LPFSA balance.

If you have a healthcare FSA in 2025, have up to \$660 in unused funds from that FSA, and elect an HSA-eligible plan in 2026, your unused FSA dollars will roll over into an LPFSA for 2026. In future years, your FSA rollover amounts will be available in either an LPFSA or healthcare FSA, depending on the plan you elect.

Dependent care expenses

A Dependent Care FSA is designed to reimburse you for childcare expenses to allow you and your spouse to work full time.

To qualify for this account, both you and your spouse must be gainfully employed (unless you are a single parent). If your spouse is a full-time student, actively looking for full-time employment, or disabled, you may also qualify if you meet strict IRS eligibility guidelines.

The dependent care (daycare) account covers expenses if you claim the person being cared for as a dependent on your income tax return and the person is

- younger than 13, or
- physically or mentally incapable of self-care and regularly (not daily, but frequently, on a regular basis) spends at least eight hours a day in your household (this can be either a child or parent).

Individuals providing the dependent care (daycare) cannot be

- claimed as a dependent on your income tax return,
- claimed as a dependent on your spouse's income tax return,
- your child or stepchild younger than 19, or
- your spouse.

Examples of excluded services include babysitting services, unless such services allow both you and your spouse, if you are married, to be gainfully employed.

Accessing Your FSA Money

The DMBA Benefits Card

When you enroll in an FSA or LPFSA, you will be issued a DMBA Benefits Card giving you fast and convenient access to the money in your FSA or LPFSA. When you use your DMBA Benefits Card, you won't have to complete any claim forms or wait to be reimbursed.

If you are married, your spouse will also be issued a card. Please contact DMBA to request cards for additional dependents. DMBA Benefits Card will be issued under the name of each individual. The card numbers and their associated PINs are unique to each individual.

Use your DMBA Benefits Card like a credit card. Present it at the pharmacy, doctor's office, or most other locations you incur eligible flexible spending expenses. The amount for eligible expenses is automatically deducted from your account. You cannot use it for dependent care expenses.

For up-to-date information about your FSA or LPFSA, go to www.dmba.com and select *Access Account* on the FSA tile.

You may also use the mobile app. Search *DMBA FSA/HSA* in the App Store or on Google Play. When registering to use the app for the first time, for *Employer* enter *DMBA* and for *Employee ID* use your DMBA ID number. Once the app is installed on your device, register, log in, and review your account details, submit claims, submit substantiation documents, and more.

Verifying eligible expenses

When you use your DMBA Benefits Card you should always save all your receipts so you can verify, or "substantiate," your eligible expenses. You may be required to submit your receipts to verify eligible expenses.

Your receipt must show the patient's name, the provider or merchant name, the service received or item purchased, and the date and amount of the expense.

If you plan on using your DMBA Benefits Card to pay your coinsurance, wait for DMBA to process the claim first and then pay the balance to your healthcare provider. That way DMBA's discounts can be calculated and applied before you pay the remaining balance. This will protect you from overpaying for the care received.

Normally, you don't need to document routine expenses such as your office visit copayments or prescription medications because they'll automatically substantiate—the amount should perfectly match the date of service, itemized bill, and your *Explanation of Benefits* (EOB). Finance charges are not eligible routine expenses.

DMBA periodically reconciles ineligible or unsubstantiated charges on your flexible spending accounts using unclaimed coinsurance or copayment expenses and, if available, uses them to offset unsubstantiated claims. If your spouse has a separate FSA or another health plan that is reimbursing coinsurance and copayment expenses, please remove the affected claim(s) from your list of eligible claims by logging in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* and select *Submit Claims*. Locate the claim(s) and check the box next to *Mark as Paid*.

Online claims

In the absence of a DMBA Benefits Card, you can conveniently and easily submit all copayments, deductibles, and coinsurance balances from DMBA's medical/dental plans on the DMBA FSA|HSA mobile app or portal. Claim information from these sources is on record with DMBA.

To submit claims online, log in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* select *Submit Claims*.

To submit FSA claims online, you must be enrolled in direct deposit. To enroll, log in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* select *Manage FSA|HSA Direct Deposit*.

Online you may do the following:

- Select from claims processed by your health plan for reimbursement of copayments, coinsurance, etc.
- Submit a claim and supporting documentation for expenses not processed by your health plan, such as over-the-counter medications
- Submit documentation not included with initial claim submissions:
 - » **Website:** Log in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* select *Submit Substantiation Documents*. Select the transaction and select *ADD RECEIPT* to upload your itemized receipt.
 - » **Mobile app:** Log in and select *Account Activity* to review your pending claim and upload documentation.

Healthcare claims documentation

According to IRS rules, you must properly document your medical, dental, and vision expenses to receive reimbursement. Include supporting documentation with your DMBA FSA|HSA mobile or portal claim submission.

Here are examples of acceptable documents:

- The EOB from DMBA or another health plan showing expenses for which you are responsible
- An itemized bill (including name, service date, procedure, etc.) from a medical or dental provider, for expenses not covered by your medical or dental plan
- Dated, detailed receipts including the name of the item(s), such as contact lens supplies and over-the-counter medications
- Payment receipts for orthodontic services
- A dated, detailed receipt from your pharmacy for prescription drug claims

EOBs show that your medical, dental, or vision benefit has considered the expense and what part of the bill is your responsibility. They also provide the patient's name, service date, and charges. You can also print this information from your account at www.dmba.com.

We cannot accept bank or credit card statements or cash register receipts as documentation.

If documentation is not included with your initial claim submission, you may add it afterward through the app or website.

Dependent care claims documentation

According to IRS rules, you must properly document your dependent care expenses to receive reimbursement. Documents include itemized bills, receipts, or contracts. Include supporting documentation with your DMBA FSA|HSA mobile or portal claim submission. This documentation must be on an invoice or receipt from your provider and must include the following information:

- Dependent's name
- Service date
- Name, address, and tax identification number (or Social Security number) of the organization or individual providing services*
- Description of the services provided

* If a provider will not give you the Social Security number (either because of privacy concerns or because they don't have one), you must state this on your claim form and on IRS Form 2441 when you file your personal taxes.

Reimbursement of expenses

You can be reimbursed for healthcare expenses as soon as you have incurred the expenses, regardless of how much money is in your account.

For example, if your annual FSA election is \$1,200, and if in January you have \$600 in dental expenses, you can pay using your DMBA Benefits Card or be reimbursed \$600 once you submit your claim, even though you haven't deposited \$600 in your account yet.

By contrast, you can only be reimbursed from existing money in your account for dependent care expenses. If your claim exceeds the existing funds in your account, you cannot be reimbursed for the claim until more funds are withheld from your paycheck and deposited into your dependent care account.

To submit FSA claims online you must be enrolled in direct deposit. To enroll, log in to www.dmba.com. Navigate to *My Health* and under *Flexible Spending* select *Manage FSA/HSA Direct Deposit*.

All expenses are subject to review by DMBA. As the plan administrator, DMBA must take reasonable measures to ensure flexible spending claims meet IRS guidelines.

Planning Your Election

Calculate your total annual withholding carefully and conservatively because except for the \$680 rollover allowance for your Healthcare or limited purpose FSA, you forfeit (lose) all money in your flexible spending account not used for services received within the plan year. Any unspent money returns to your employer to cover its risk and administrative expenses.

If you've enrolled in DMBA's Flexible Spending program in the past, use the information on our website as a resource for your personal FSA history and activity to plan your election.

How to Participate

You're eligible to enroll in Flexible Spending if you're a full-time employee and you meet the eligibility requirements of your employer. **Enrollment doesn't carry over from year to year. If you want to participate, you must re-enroll every year.**

Step 1: Enroll

Eligible employees can enroll in Flexible Spending during Open Enrollment for the following year. If you're a newly hired employee, you can enroll within 30 days of your eligibility date.

During Open Enrollment, log in to www.dmba.com and enroll online.

After you enroll and the plan year begins, you cannot stop or change the amount you elected for that year, unless you have a qualified change in family status. (See *Making Midyear Changes*.)

Federal tax law requires that participation in the Dependent Care FSA by participants at all pay levels must be balanced. If you are considered to be "highly compensated," according to IRS guidelines, and there is an imbalance in Dependent Care FSA participation during the year between highly compensated employees and other (non-highly compensated)

employees, your contributions may be reduced and/or refunded. If you are affected, you will be notified.

Step 2: Manage your account(s)

At the beginning of the plan year, the tax-free money begins to accrue in your FSA. Your total election is divided by the number of paychecks you receive in a year, so an equal amount is deducted from each paycheck. By the end of the calendar year, your total election has been withheld from your paychecks and deposited into your account.

It is your responsibility to make sure your election is being withheld from your paycheck. If you notice that money is not being withheld for Flexible Spending, contact your human resources department or your payroll office immediately.

You can get up-to-date information about your flexible spending account at any time by logging in to www.dmba.com. Navigate to *My Health* and select a topic under *Flexible Spending*. Account information is also available on the DMBA FSA|HSA mobile app or portal.

Step 3: File claims

When you have eligible healthcare expenses that weren't paid using your DMBA Benefits Card, or any eligible dependent care expenses, submit the claim along with supporting documentation using the DMBA FSA|HSA mobile app or via the online portal.

DMBA will process your claim, send you an explanation of what has been reimbursed, and send your reimbursement to the financial institution you authorized for direct deposit. If your claim is denied, we will send you an explanation of the denial.

You must submit all FSA claims and necessary documentation to DMBA no later than March 15 for services received during the prior FSA plan year (which ends December 31). Expenses and documentation received after March 15 will not be eligible for reimbursement.

Because you are paying for eligible expenses with tax-free money, you may not claim expenses reimbursed through your FSA as itemized deductions on your individual tax return.

IRS regulations do not allow you to claim the same eligible expenses on more than one flexible spending account that you or your spouse may have.

Making Midyear Changes

You may stop participating or change elections after the plan year begins only if you have a change in status or a special enrollment event and you notify DMBA within 60 days of the change. Make these changes by logging in to www.dmba.com. Navigate to *My Plans* and under *My Benefit Information* select *Change My Enrollment*. Change in status or special enrollment events that may qualify include the following:

- Marriage, divorce, legal separation, or the death of a spouse

- Change in the number of your dependents, such as birth, death, adoption, or placement with you for adoption
- Change in employment status that affects eligibility, such as going from part-time to full-time employment and commencement of or return from an unpaid leave of absence
- Involuntary loss of eligibility for other medical benefits
- Change of spouse's employment status and ineligibility for health benefits through his or her employer
- HIPAA special enrollment events
- Eligibility or loss of eligibility for Medicare or Medicaid
- Significant cost or benefit option changes

The midyear change in your annual election must be consistent with the change in your family status.

For example, the birth of a child is consistent with increasing your annual healthcare account election, not decreasing it.

The newly elected funds will only be available for reimbursing expenses incurred after the date of the qualifying event.

A midyear change resulting in the reduction of your annual election cannot go below the amount already deposited into the account or already claimed for reimbursement.

Ending Employment Midyear

If you end employment during the plan year for any reason, your Flexible Spending contributions stop. You can submit claims for services received on or before the last day of your employment.

A second option if you end employment is to continue participating in Flexible Spending through the end of the year by enrolling in COBRA Flexible Spending continuation coverage, unless the account has a zero balance or there are other eligibility restrictions. With a COBRA plan, your Flexible Spending contributions are made with after-tax money.

If you transfer employment to another DMBA participating employer and you are eligible to participate in the benefit plans, your FSA funds transfer with you. Generally, you continue participating with your new employer until the end of the plan year.

If you become disabled or go on an unpaid leave of absence, please call DMBA.

If you are no longer employed with a participating employer and you do not elect COBRA or are ineligible to elect COBRA, you forfeit all your FSA money that is not used for services received on or before your last day of employment. You will have until March 15 of the following year to submit eligible services for reimbursement.

Claims for services you receive after the day your employment ends are not eligible for reimbursement. If you are re-employed by the same employer or another participating employer before the end of the plan year, you may be eligible to enroll in a new flexible spending account.

Claims Review and Appeals Procedures

If your claim is denied and you feel the denial is in error, you have the right to file an appeal. Send a letter with supporting documentation that explains why you believe the claim should be approved. You must submit your appeals within 60 days from the date of your benefit decision notification. For more information about how to appeal a non-health claim, please refer to your *General Information SPD*.

How Flexible Spending Affects Other Benefits

If you file a claim for workers' compensation benefits, the benefits are based on your taxable income. Special rules apply to workers' compensation benefits; contact your employer regarding the specifics of the calculation of your benefit.

Other employee benefits—any benefits based on your income—are calculated on your gross income. Flexible Spending amounts are included in these calculations:

- Deseret Healthcare Disability Income Plan benefits
- Income increases
- Life plan benefits
- Master Retirement Plan benefits
- Deseret 401(k) Plan contributions

How Flexible Spending Affects Social Security

Because you do not pay taxes on the money that goes into an FSA, a lower salary is reported and both you and your employer contribute less in FICA taxes toward your Social Security retirement benefits. This may slightly reduce your Social Security benefits after you retire. But most experts agree that the tax savings more than offset a minor reduction in future Social Security benefits.

Notification of Discretionary Authority

DMBA is the plan administrator and, in its sole discretion, determines appropriate courses of action in light of the reason and purpose for which the plan is established and maintained. In particular, DMBA has full and sole discretionary authority to interpret and construe the terms of all plan documents, including but not limited to the following: resolve and clarify inconsistencies, ambiguities, and/or omissions in all plan documents; make determinations for all questions of eligibility for and entitlement to benefits; determine the status and rights of employees and other persons under this plan; make all interpretive and factual determinations as to whether any individual is entitled to receive any benefits under the terms of this plan; and determine the manner, time, and amount of payment of any benefits under this plan. Benefits will be paid under this plan only if the plan administrator decides in its sole discretion that the individual is entitled to them. All such interpretations and decisions by DMBA shall be final, binding, and conclusive on the employers, the employees, and any other parties affected thereby.

Any interpretation, determination, or other action of the plan administrator shall be given deference in the event the determination is subject to judicial review. Any review by a court of a final decision or action of plan administrator shall be based only on such evidence presented to or considered by DMBA at the time it made the decision that is the subject of the court's review. Accepting any benefits or making any claim for benefits under this plan constitutes agreement with and consent to any decisions that DMBA makes, in its sole discretion and, further, constitutes agreement to the limited and deferential scope of review described herein.

Notification of Benefit Changes

DMBA reserves the right to amend or terminate the plan at any time.

Legal Notice

We have made every effort to accurately describe the benefits and ensure that information given to you is consistent with other benefit-related communications. However, if there is any discrepancy or conflict between information in this document and other plan materials, the terms outlined in the plan document will govern.