The Limited Purpose Flexible Spending Arrangement (FSA) is a pre-funded benefit. This means you have access to your full annual election amount at any time during the plan year — regardless of how much you have contributed. Think of the Limited Purpose FSA as a tax-free, interest-free loan to help you pay for those larger dental and vision expenses, and as a savings tool for your regular dental and vision expenses throughout the plan year.

The Limited Purpose FSA is intended for employees enrolled in a consumer-directed health plan (CDHP) with a health savings account (HSA). Funds placed in a Limited Purpose FSA can only be spent on vision and dental expenses.

If you are not enrolled in a CDHP with an HSA, the Medical FSA is available instead for a wider range of health care expenses. Learn more about it at pebb.naviabenefits.com.

CALCULATING YOUR ELECTION

Estimating future expenses is an important step as you prepare to enroll in a Limited Purpose FSA. The amount you set as your annual election cannot be changed for the entire plan year unless a qualifying event creates a special open enrollment event. Common qualifying events include birth, death, adoption, marriage, or divorce. Your change in election amounts must be consistent with the qualifying event.

The more accurate you are in estimating your expenses, the better the plan will work for you. Here are some tips:

- Review the dental and vision expenses you had in the past year, both over-the-counter products and provider appointments.
- Request an annual statement from your dental plan.

Please note the Limited Purpose FSA can also be used to cover the dental and vision expenses of your spouse and qualified tax dependent(s), even if they are not covered under your Public Employees Benefits Board (PEBB) Program coverage.

Before you enroll, make sure to review the PEBB Limited Purpose FSA Enrollment Guide, at pebb.naviabenefits.com.

<table>
<thead>
<tr>
<th>Health Care Expense Estimation Worksheet</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental care (routine checkups, fillings, etc.); orthodontics</td>
<td>$</td>
</tr>
<tr>
<td>Eye care: exams, prescription glasses, contacts, solutions</td>
<td>$</td>
</tr>
<tr>
<td>Laser eye surgery and procedures</td>
<td>$</td>
</tr>
<tr>
<td>Additional eligible expenses</td>
<td>$</td>
</tr>
<tr>
<td>Annual total</td>
<td>$</td>
</tr>
</tbody>
</table>

See pebb.naviabenefits.com for a complete list of eligible items.

WHAT HAPPENS IF MY EMPLOYMENT ENDS?

If you stop working during the plan year, you have some options. Talk to your employer and Navia Benefit Solutions for more information.

- **Stop deductions** – Your deduction and participation will cease at the end of the last month in which you are benefit eligible. You may be reimbursed only for services incurred on or before your benefit termination date.

- **Accelerate deductions** – If available through your employer, you can take future deductions from your final paycheck. This final deduction will be pre-tax and allow you to participate in the plan to the extent contributions are made.

- **Continue with COBRA** – Under certain circumstances, you may be eligible to continue participation on an after-tax basis through COBRA with Navia Benefit Solutions. If you are eligible for this option, Navia Benefit Solutions will notify you.

ORTHODONTIA

Unlike other qualified expenses, orthodontia costs are reimbursed only after you have paid the provider. Payments made toward orthodontia in a previous plan year or before your eligibility period are not reimbursable. Only payments made during your eligibility period and plan year can be reimbursed, and proof of payment to an orthodontic provider is required.

STOCKPILING

IRS regulations prohibit the purchase of an unusually large quantity of any item in any one transaction. A purchase of more than three items is considered stockpiling and will not be reimbursed.