

Comparison of the different types of FSAs

Plan	Covered expenses	Maximum contribution	How claims are paid
Health Care Flexible Spending Account (FSA)	Medical, pharmacy, dental and vision care expenses not reimbursed by another plan	\$3,200	Full annual contribution is available on your first day of participation
Limited Use Health Care Flexible Spending Account (FSA)*	Dental and vision care expenses not reimbursed by another plan	\$3,200	Full annual contribution is available on your first day of participation
Dependent Care Flexible Spending Account (DCFSA)	Employment-related dependent care expenses not claimed for the federal dependent care income tax credit	\$5,000 per calendar year**	Only amounts already contributed are available

* If you enroll in Medical Plan 1 and would like to contribute to a Health Care FSA for vision and dental care expenses, you must enroll in the Limited Use Health Care FSA.

** Employees earning over \$130,000 annually can contribute up to \$2,500.

Health Care Flexible Spending Account

If you elect to participate in the Health Care FSA, you can contribute up to \$3,200 in pre-tax income for eligible expense reimbursements.

- ▶ Any money contributed must be used for expenses incurred in the same calendar year in accordance with IRS guidelines.
- ▶ Beginning Jan. 1, 2025, the Health Care FSA funds will no longer roll over from year to year. You must use your funds by Dec. 31, 2024, or any remaining funds will be forfeited. You have until March 31, 2025, to reimburse yourself for any eligible expenses incurred in 2024.
- ▶ You can change your Health Care FSA election amount during annual enrollment or within 30 days of a qualifying life event.
- ▶ Visit [irs.gov](https://www.irs.gov) for a complete list of covered expenses. Refer to Publication 502, Health Care Expenses.
- ▶ You will receive a debit card in the mail from Optum Financial™ to pay for eligible medical, pharmacy, dental and vision expenses.
- ▶ For your convenience, you can also choose to turn on the auto-reimbursement feature for medical expenses only in order to have eligible medical expenses auto-submitted for payment from your Health Care FSA.
- ▶ You can view your account balance from myuhc.com or the UnitedHealthcare app.

Limited Use Health Care Flexible Spending Account

The Limited Use Health Care FSA is available if you are enrolled in Medical Plan 1. Participating in a Limited Use Health Care FSA helps you maximize the amount you can save pre-tax for dental and vision expenses. You can contribute up to \$3,200, in pre-tax contributions for eligible dental and vision expenses. There are limits on the expenses you may submit to your Limited Use Health Care FSA. Enroll and maximize your tax advantage if:

- ▶ You're expecting to incur significant dental and/or vision expenses.
- ▶ You don't want to use your HSA for dental and vision care expenses.

Similar to the Health Care FSA, beginning Jan. 1, 2025, the Health Care FSA funds will no longer roll over from year to year. You must use your funds by Dec. 31, 2024, or any remaining funds will be forfeited. You have until March 31, 2025, to reimburse yourself for any eligible expenses incurred in 2024.

You can change your Limited Use Health Care FSA election amount during annual enrollment or within 30 days of a qualifying life event.

Visit [irs.gov](https://www.irs.gov) for a complete list of covered expenses. Refer to Publication 502, Health Care Expenses.

Dependent Care Flexible Spending Account

A Dependent Care FSA lets you use pre-tax dollars to pay for eligible expenses related to care for your child, disabled spouse, elderly parent or other dependent who is physically or mentally incapable of self-care, so you can work or your spouse (if you're married) can work, look for work or attend school full time. As a Dependent Care FSA participant, you can contribute up to \$5,000 in pre-tax contributions for qualified dependent care expense reimbursements. Employees earning over \$130,000 annually can contribute up to \$2,500.

Any money contributed to this account must be used for expenses incurred in the same calendar year or the money is forfeited.

You can change your Dependent Care FSA election amount during annual enrollment or within 30 days of a qualifying life event.

Eligible Dependent Care FSA expenses include:

- ▶ A qualified child or elder care center
- ▶ A babysitter or nanny
- ▶ After-school care
- ▶ Registration fees
- ▶ Nursery school tuition
- ▶ A relative who provides care

Visit [irs.gov](https://www.irs.gov) Publication 503 for a complete list of covered eligible dependent care expenses.

Medicare Turning 65

If you are eligible for NXP Retiree Medical and want to learn more about the Aon Retiree Health exchange, please review our [NXP Age 65+ Retiree Information Sheet](#).

We frequently receive questions regarding what actions employees should take when they turn 65. We've put together information for you from medicare.gov. However, please talk to a certified Medicare advisor as NXP is not a certified expert and the following information should not be construed as legal advice.

Delaying Medicare Parts A and B

If you turn 65 while still actively employed at NXP, you can delay Medicare Parts A and B without penalty if you enroll during a Special Enrollment Period and will need to also provide written proof of creditable drug coverage.

Is Medicare Primary?

No, if you are enrolled in the Active NXP medical plans, NXP plans are primary and Medicare is secondary.

Enrolling In Only Part A

You may be able to delay enrollment in Part A (Hospital Insurance) and Part B (Medical Insurance) without a lifetime late enrollment penalty if you choose to enroll later.

However, there are exceptions; please check if you are eligible for Premium-free Part A, which would require you to enroll when you are first eligible. If you have a Health Savings Account (HSA), be aware that once you enroll in any part of Medicare, you cannot continue to make contributions to your HSA. Please contact a Medicare advisor for further clarification on limitations to participating in an HSA.

What Happens When My Spouse Turns 65?

If you have a spouse or domestic partner on your plan who is turning 65, their NXP coverage will remain active and your NXP plan will be primary.

If you are a terminated employee enrolled in an NXP medical plan through COBRA when you turn 65:

- ▶ COBRA does not qualify as a group health plan as defined by the IRS.
- ▶ You likely need to enroll in Part A and Part B when you're first eligible in order to prevent incurring lifetime penalties and a gap in Medicare coverage.