



## 2 ½ Month Extension

**2 ½ Month Extension** is when a company offers for two months and fifteen days after a plan year ends, any remaining FSA funds left on a prior FSA plan year, to pay first.

### **Using the below as an Example:**

- Previous Plan year: 1.1.2024 to 12.31.2024
- Current Plan year: 1.1.2025 to 12.31.2025

2 ½ month extension in effect - until 3.15.2025 – This allows FSA participants the use of their flex card and/to file for reimbursement, 2024 and/or 2025 dates of service, up until 3.15.2025, and the expenses will pay from 2024 unused FSA funds, first. See examples below.

### **Example:**

- John Doe has \$500 left in his “Previous” 2024 FSA plan with CPN.
- He needs to see the doctor on February 15, 2025 (service incurred in current plan year).
- John may use his flex card for his doctor appointment and the funds will pay from his previous 2024 FSA money FIRST (if funds available).

If John uses his flex card to pay for “Previous” 2024 dates of service, he can **ONLY** swipe his flex card for the amount left in his “Previous” 2024 FSA.

### **Example:**

- John Doe has \$500 left in his “Previous” 2024 FSA.
- He receives a bill in February 2025, for dates of service incurred on November 3, 2024, that totals \$750.00.
- John can **ONLY** swipe his flex card for \$500 so it will max out is “Previous” 2024 funds.
- John **CANNOT** claim the November 2024 service date on his 2025 plan year. That is why he must swipe his card only for the amount remaining in his “Previous” 2024 FSA. If he swiped for the full \$750, the difference of \$250 would pay from his 2025 FSA (which cannot be allowed, and he would have to pay the \$250 back to the plan with personal funds).
- John can claim 2025 dates of service during this 2 ½ month period and the funds come from the 2024 FSA plan year (if available). That is allowed. **But only up until 3.15.2025.**

***After the end of the Previous 2024 FSA Plan Year, employees will have until March 15th, to use their flex card/file for manual reimbursement 2024 and/or 2025 dates of service to ensure those expenses pay from 2024 unused FSA funds\*.***

***As of March 16<sup>th</sup>, participants must file for manual reimbursement any 2024 dates of service. They have until the end of their company’s “run-off” period to do so. \*\*\* As of March 16<sup>th</sup>, the flex card will be linked to 2025 FSA monies to be used for 2025 dates of service ONLY. (2 ½ Month Extension period is over)\*.***