

TOWN OF WEST BOYLSTON

Flexible Spending Accounts

Glossary – Plan Years, Grace Periods, Run-Out Periods

Plan Year – Period for which you pick an election (generally 12 Months). Participants make a plan year \$ election and incur expenses during that plan year that apply toward their election.

Grace Period – Period *beyond* the end of the plan year when a participant who has not used all of their election can continue to incur expenses toward the prior year’s election.

Run-Out Period – Period *beyond* the end of the plan year when expenses that were incurred during the Plan Year (*or during the Grace Period*) but not reimbursed, can still be submitted for reimbursement.

Carryover - This was New for 2014 and “could” replace the *Grace Period*. Any amount up to \$500 that is unused in 2015 could be carried over into 2016 and is available for the entire new plan year. **NOTE:** *You may hear about this option BUT the Town has elected NOT to use this option and use the GRACE PERIOD described above.*

“Current” Plan Year: October 1, 2014 through September 30, 2015

- \$2,500 Medical Maximum
- \$5,000 Dependent Care Maximum

a. **Grace Period:** Through December 16, 2015

b. **Run-Out Period:** Through December 31, 2015

“New” Plan Year: October 1, 2015 through September 30, 2016

- \$2,500 Medical Maximum
- \$5,000 Dependent Care Maximum

a. **Grace Period:** Through December 16, 2016

b. **Run-Out Period:** Through December 31, 2016