



MCC offers employees the option to establish a Health Savings Account for those enrolled in a Qualified High Deductible Health Plan.

During Open Enrollment, you can elect the amount you would like to contribute each month to your HSA (up to the IRS limits).

It is your responsibility to contact HR if you become ineligible for the Health Savings Account and to ensure all purchases made with your Health Savings Account are eligible expenses according to the IRS guidelines

WHAT IS AN HSA?

An HSA is exactly what it sounds like — a savings account where you can elect direct pre-tax payroll deductions or deposit money to be used to pay for current or future qualified medical expenses for you and/or your dependents. Once money goes into the account, it's yours to keep — the HSA is owned by you, just like a personal checking or savings account.

YOUR HSA CAN ALSO BE AN INVESTMENT OPPORTUNITY.

Depending upon your HSA account balance, your account can grow tax-free in an investment of your choice (like an interest-bearing savings account, a money market account, a wide variety of mutual funds — or all three). Of course, your funds are always available if you need them for qualified health care expenses.

YOUR FUNDS CAN CARRY OVER AND EVEN GROW OVER TIME.

The money in your HSA always belongs to you, and we mean always. Even if you leave the company or you don't use a lot of health services now, your funds will carry over from year to year and will always be there if you need them in the future — even after retirement

HSA FUNDS CAN BE USED FOR YOUR FAMILY.

Your HSA doesn't just benefit you. You can use the funds for your spouse and tax dependents for their eligible expenses, too — even if they're not covered by your medical plan.

WHAT ARE THE BENEFITS OF AN HSA?

- Reduce your taxable income. You do not pay taxes on the money you put in your HSA, so you keep more in your paycheck. By using tax-free money, you are essentially getting a discount every time you use your HSA for eligible items.
- This money always belongs to you. Any money you put into the HSA is yours for life.
- An HSA is an investment! If your HSA is sufficiently funded, you can invest a portion of your HSA dollars in mutual funds, stocks and bonds.

2026 Maximum Contributions

Employee Only	\$4,400 max
Employee + Family	\$8,750 max
Catch up contributions (individuals age 55+)	\$1,000 max

PLEASE NOTE:

- When an employee is no longer making contributions to their HSA account through payroll deductions, a monthly fee will be charged by UMB.
- If you are currently enrolled in an FSA and choose to elect an HSA in 2026, but still have money left in your Flexible Savings Account on December 31, 2025, you will contributions until March 15, 2026.

Eligible Expenses Examples

- Alcoholism treatment
- Artificial limbs
- Ambulance
- Braces
- Coinsurance and copayments
- Contact lens solution
- Contraceptives
- Crutches
- Dental expenses
- Dentures
- Diagnostic expenses
- Eyeglasses, including exam fee
- Handicapped care and support
- Nutrition counseling
- Hearing devices and batteries
- Laboratory fees
- Licensed osteopaths
- Licensed practical nurses
- Orthodontia
- Obstetrical expenses
- Oxygen
- Prescription drugs
- Podiatrists
- Psychiatric care
- Psychologist expenses
- Seeing-eye dog expenses
- Smoking cessation programs
- Sterilization and reversals
- Substance abuse treatment
- Surgical expenses



[What Is a Health Savings Account?](#)

FLEXIBLE SPENDING ACCOUNTS (FSA)



Southern
BANK

Flexible Spending Accounts are designed to pay for out-of-pocket qualified healthcare and dependent care expenses with pre-tax dollars that you elect to deduct from your pay. Your FSA can be used for your expenses and those of your spouse and dependents. The plan year runs for a 12-month period beginning January 1 and ending December 31.

Eligible Expenses Examples

<ul style="list-style-type: none"> • Alcoholism treatment • Artificial limbs • Ambulance • Braces • Chiropractors • Coinsurance and copayments • Contact lens solution • Contraceptives • Crutches • Dental expenses • Dentures • Dermatologists • Diagnostic expenses • Eyeglasses, including exam fee • Handicapped care and support • Nutrition counseling • Hearing devices and batteries • Hospital bills • Deductible Amounts 	<ul style="list-style-type: none"> • Laboratory fees • Licensed osteopaths • Licensed practical nurses • Orthodontia • Orthopedic shoes • Obstetrical expenses • Oxygen • Prescription drugs • Podiatrists • Psychiatric care • Psychologist expenses • Routine physical • Seeing-eye dog expenses • Smoking cessation programs • Sterilization and reversals • Substance abuse treatment • Surgical expenses • Prescribed vitamin supplements (medically necessary)
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2026 Maximum Contributions

Health Care Flexible Spending Account	\$3,300 max
Dependent Care Expense Account	\$7,500 max

[▶ What Is A Flexible Spending Account?](#)

[▶ What Is A Dependent Care FSA?](#)

You *MUST* Re-enroll in order to participate!

SELECT FSA ACCOUNTS

- Health Care Flexible Spending Account
- Dependent Care Flexible Spending Account



HEALTHCARE FSA

Qualified medical expenses include Medical plan deductibles, prescription drugs, vision expenses, and dental and orthodontia expenses.

The 2025 annual maximum amount that may be contributed to the Health Care Flexible Savings Account in total is \$3,300. 2026 maximum contributions have not been announced.

Remember, you must use the amount that you deduct pre-tax or you will lose it.

Note: if you or your spouse are enrolled in a HSA, you cannot enroll in a Healthcare FSA.



DEPENDENT CARE FSA

This account gives you the opportunity to redirect a portion of your annual pay on a pre-tax basis to pay for dependent care expenses. Eligible expenses may include in and out of home caregiving, before and after school care, childcare, elder care and preschool expenses.

An eligible dependent is any member of your household for whom you can claim expenses on your Federal Income Tax Form 2441, "Credit for Child and Dependent Care Expenses." Children must be under age 13. Qualified care centers include dependent care centers, preschool educational institutions, and qualified individuals (if the caregiver is not a family member and reports income for tax purposes).

Before deciding to use the Dependent Care Expense Account, it would be wise to compare its tax benefit to that of claiming a child care tax credit when filing your tax return. You may want to check with your tax advisor to determine which method is best for you and your family. Any unused portion of your account balance at the end of the plan year is forfeited.

HSA VS. FSA - WHICH ARE YOU ELIGIBLE FOR?

	HSA Health Savings Account	FSA Health Flexible Spending Account *
Account Owner	Individual or employee	Employer
Eligibility	<p>MCC full time employees with a High Deductible Health Plan (HDHP)</p> <ul style="list-style-type: none"> You are not cover under your spouse's health plan (that is not a QHHDHP), FSA or HRA. PPO plans are not eligible for a HSA accounts. You are not eligible to be claimed as a dependent on some else's tax return. 	<p>MCC full-time employees</p> <ul style="list-style-type: none"> If you or your spouse are enrolled in HSA, you cannot enroll in a healthcare FSA. If you are eligible to receive contributions to your HSA but have money left in your FSA on January 1st. You will forfeit both MCC contributions and withholding of your own HSA contributions until March 15th.
Restrictions	<ul style="list-style-type: none"> You are not enrolled in any of Medicare, TRICARE OR TRICARE for life. You have not received within the three months prior to the HSA effective date. You have not received Veterans Administration benefits within the three months prior to the HSA effective date. 	
Eligibility of spouse / dependents	Can reimburse medical care expenses of spouses and dependent children.	Employer can design health FSA so that it reimburses eligible medical care expenses of spouses and dependent children.
Who may fund the account?	Employee & Employer	Employee & Employer
Max Contributions limits	<p>Employee \$4,400 max + Family \$8,750 max Catch-up contributions:</p> <p>\$1,000/year- age 55 by end of tax year</p>	<p>Health Care Flexible Spending Account: \$3,300 max Dependent Care Expense Account: \$7,500 max</p> <p><i>*Please note maximums listed are for 2025.</i></p>
Is this account taxed?	<p>No, tax-free.</p> <p>Yes.</p>	<p>No, tax-free.</p> <p>No, with two exceptions.</p>
Can unused funds be rolled over from year to year?	<p>Unreimbursed medical care expenses as defined by IRC 213(d); no health insurance premiums.</p>	<p>Unused amounts may be used for expenses incurred during a grace period of 2 ½ months after the end of plan year.</p> <p>If the FSA does not incorporate a grace period, it may allow employees to carry over up to \$570** in unused funds into the next plan year.</p>
Expenses eligible for reimbursement	<p>Section 213(d) medical expenses, including:</p> <ul style="list-style-type: none"> COBRA premiums QLTC premiums Health premiums while receiving unemployment benefits If Medicare eligible due to age, health insurance premiums except medical supplement policies 	<p>Section 213(d) medical expenses.</p> <p>Expenses for insurance premiums are not reimbursable.</p> <p>Employer can generally define "eligible medical expenses" to be more restrictive than the IRS guidelines.</p>
MCC Account Administrator	United Missouri Bank (UMB)	Southern Wealth Bank
Account portable after termination of employment?	Yes. Continued access to unused account balance if the employee is no longer working for the employer.	No. Account cannot be maintained if the employee is no longer working for the employer.
Must claims submitted for reimbursement be substantiated?	No	Yes
May account reimburse non-medical expenses?	Yes, but taxed as income and 20% penalty (no penalty if distributed after death, disability or age 65).	No