



WageWorks Tax-Advantaged Spending Accounts Annual Plan Review

City of Los Angeles
2.7.19

About WageWorks



- We have managed the City's Health and Dependent Care Flexible Spending Accounts (FSA) and Commuter Benefits since 2008.
- We serve more than 100,000 clients including the Cities of Chicago, Philadelphia, New York, and San Francisco as well as Los Angeles County.
- 68% of Fortune 100 companies depend on WageWorks to administer their tax-advantaged benefit programs.

Healthcare FSA Eligible Expenses

Use Your FSA to pay for:

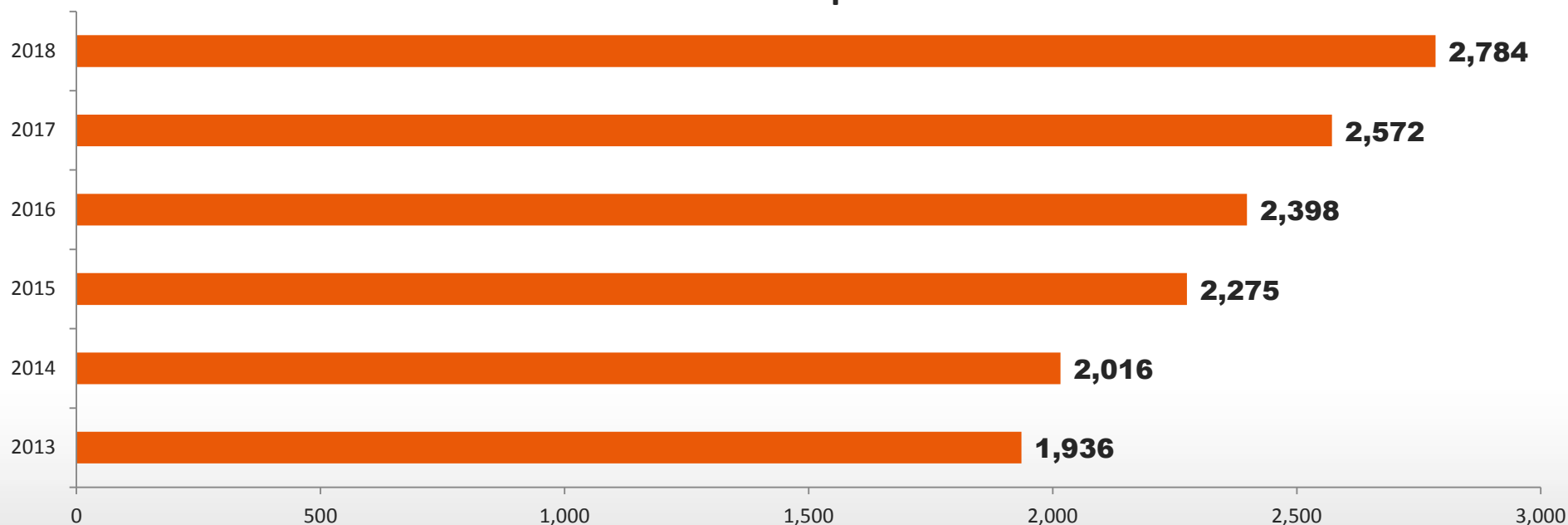
- Prescriptions for almost any medical condition
- Prescribed over-the-counter medicines, e.g. aspirin, cough syrup
- Co-payments, co-insurance, and deductibles
- Dental care, both preventive and restorative
- Orthodontia, child and adult
- Vision care, eyeglasses, contact lenses, solutions
- Eye surgery, including laser vision correction
- Counseling and therapy
- Psychology and psychiatry
- Chiropractic care and acupuncture
- See www.wageworks.com/myfsa for more



2013-18 Health Care FSA Highlights

- **44% Participation Growth**
- **\$1.6M in Cumulative Employer FICA Savings**
- **\$6.2M in Cumulative Employee Tax Savings***
- **\$450 in Annual Tax Savings per Participant***
- **Average Election per Participant increased 4.7% between 2013 and 2018, from \$1,432 to \$1,499**

Number of HCFSA Participants in 2013 to 2018



Top Five Health Care FSA Debit Card Expenses 2018

Expense Type	Number of Transactions	Total Spend	Average Spend per Participant
Dental	3,349	\$902,956	\$263.16
Vision	2,740	\$538,594	\$196.32
Physicians	5,821	\$437,501	\$58.27
Health and Medical products or equipment	8,137	\$419,633	\$45.82
Pharmacy	12,045	\$358,739	\$29.78

Health Care Debit Card Spend 2014-2018

2014		2015		2016		2017		2018	
Dental	\$663,353	Dental	\$769,302	Dental	\$831,556	Dental	\$825,077	Dental	\$902,956
Physicians	\$328,759	Health and Medical products or equipment	\$341,019	Health and Medical products or equipment	\$366,240	Health and Medical products or equipment	\$387,993	Vision	\$538,594
Vision	\$299,877	Hospital	\$95,090	Hospital	\$113,355	Hospital	\$107,165	Health and Medical products or equipment	\$419,633
Health and Medical products or equipment	\$236,042	Vision	\$349,609	Vision	\$415,130	Vision	\$452,911	Pharmacy	\$358,739
Pharmacy	\$225,818	Pharmacy	\$252,410	Pharmacy	\$283,994	Pharmacy	\$320,944	Physicians	\$437,502
Hospital	\$86,715	Physicians	\$342,696	Physicians	\$380,886	Physicians	\$397,983	Hospital	\$137,582
Wholesale /Specialty Stores/ Supermarket	\$37,792	Wholesale /Specialty Stores/ Supermarket	\$95,232	Wholesale/ Specialty Stores/ Supermarket	\$100,288	Wholesale/ Specialty Stores/ Supermarket	\$82,497	Wholesale/ Specialty Stores/ Supermarket	\$52,941

Dependent Care FSA Eligible Expenses

Use your Dependent Care FSA to pay for:

- Before/after school care
- Au pair services
- Extended day programs
- Preschool/nursery school
- Summer day camp
- Elder day care

Ineligible expenses include:

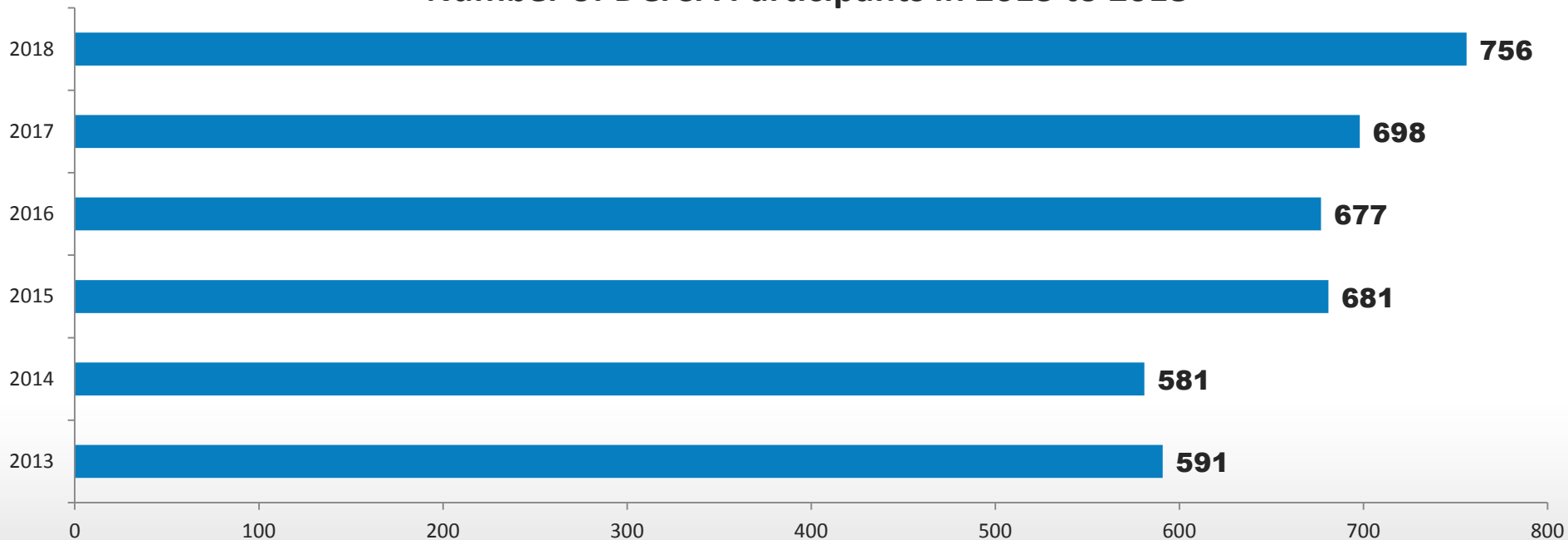
- Overnight camps
- Kindergarten or higher-grade tuition
- Non-work-related day care
- Long-term elder care services

See www.wageworks.com/mydcfsa for more information on eligible expenses.

2013-18 Dependent Care FSA Highlights

- **28% Participation Growth**
- **\$1.2M in Cumulative Employer FICA Savings**
- **\$4.6M in Cumulative Employee Tax Savings***
- **\$1,185 in Annual Tax Savings per Participant***
- **Average Election per Participant increased 3% between 2013 and 2018, from \$3,841 to \$3,950**

Number of DCFSA Participants in 2013 to 2018



Commuter Plan Highlights

Parking

- Park near your work
- Park near a place from which you commute to work via mass transit
- Park in Employer-Owned Parking

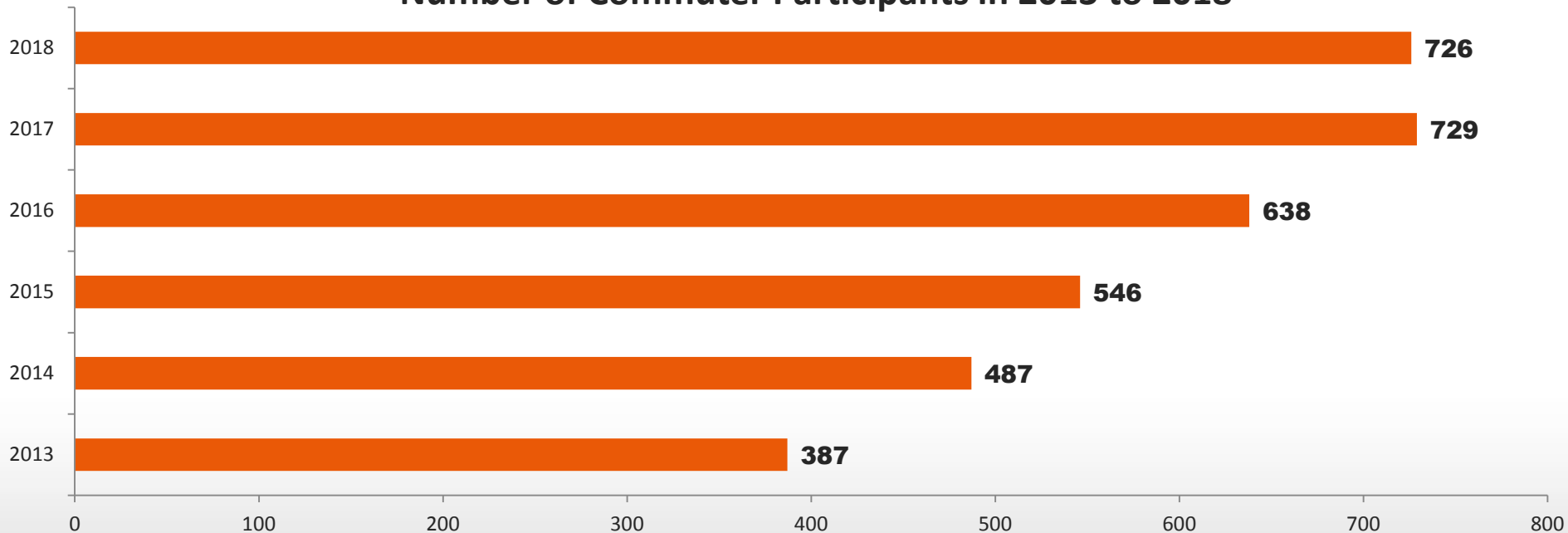
Transit

- Buses
- Trains
- Subways
- Ferries
- Streetcars
- Vanpool
- Select Ride Sharing

Commuter Plan Highlights

- **88% Participation Growth**
- **\$419k in Cumulative Employer FICA Savings**
- **\$1.6M in Cumulative Employee Tax Savings***
- **\$445 in Annual Tax Savings per Participant***
- **Average Pre-tax Contribution per Participant increased 3% between 2013 and 2018, from \$1,482 to \$1,675**

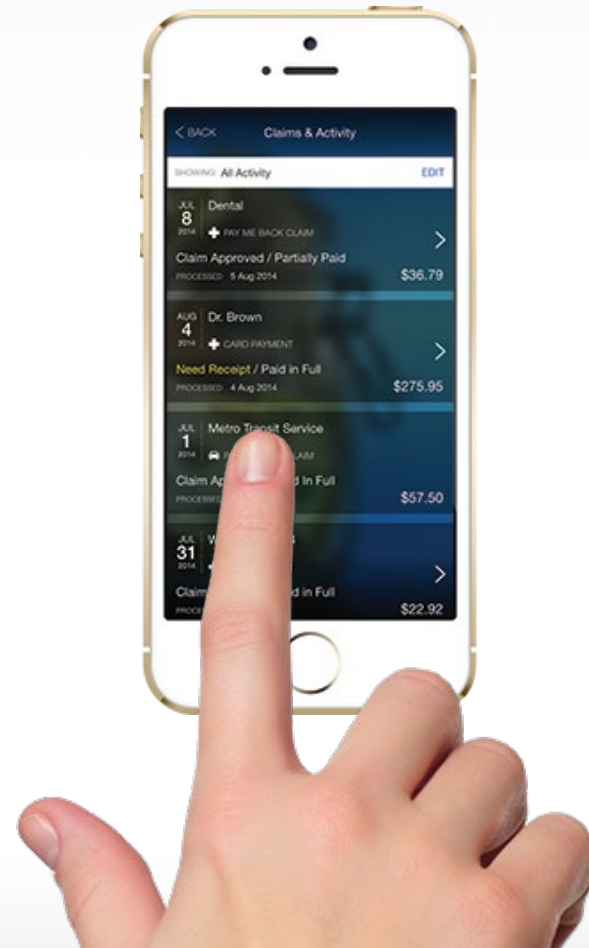
Number of Commuter Participants in 2013 to 2018



WageWorks Solutions – Providing Access

Use WageWorks EZ Receipts® or online at WageWorks.com

- File a claim and get reimbursed quickly
- View transactions and benefit account balances using a single login
- Snap a photo of receipts and submit them for payment
- Receive confirmation emails when claims are received, processed, or paid
- Receive text messages when card verification is required, a transaction is denied, or a claim has been processed
- 97% of the claims filed in 2018 were filed electronically using our online tools.





Thank you.