Flexible Spending Accounts Program

General Information

The City of New York offers its employees a Flexible Spending Accounts (FSA) Program, which is allowable under Internal Revenue Code (IRC) Section 125. The Program allows City employees to deposit a portion of their pre-tax income into accounts maintained for certain health and dependent care expenses. Employees covered by a non-City group health plan can enroll in the MSC Program and waive City health benefits to receive an incentive payment, up to $1,000 for Plan Year 2018.

To enroll, you must complete the MSC Health Benefits Buy-Out Waiver application and a Health Benefits Application and provide proof of other coverage.

FSA Overview
Plan Year 2018 Flexible Spending Accounts Program Brochure
Plan Year 2018 FSA Enrollment/Change Form

Medical Spending Conversion Programs

MSC Health Benefits Buy-Out Waiver Program

The Medical Spending Conversion (MSC) Health Benefits Buy-Out Waiver Program allows eligible employees who can obtain non-City group health benefits to waive their New York City health benefits in return for an annual cash incentive payment.

Learn More about the Buy-Out Waiver Program
MSC Buy-Out Waiver FAQs
Watch the Buy-Out Waiver Video

For questions about the MSC Buy-Out Waiver Program, please call: (212) 306-7760.

MSC Health Benefits Premium Conversion Program

The Medical Spending Conversion (MSC) Premium Conversion Program enables eligible employees to pay for their health plan premium deductions on a pre-tax basis, thereby reducing their gross income for tax purposes.

Learn More about the Premium Conversion Program
MSC Premium Conversion Program FAQs

Dependent Care Assistance Program

DeCAP allows City employees to pay for eligible dependent care expenses on a pre-tax basis, with deductions taken directly from paychecks. These deductions reduce an employee's gross income on his/her Form W-2 for federal and Social Security tax purposes.

Learn More about DeCAP
DeCAP FAQs
Watch the DeCAP Video

Health Care Flexible Spending Account

The Health Care Flexible Spending Account (HCFSA) Program is a way to pay for eligible medical expenses (not covered by insurance), dental, vision, and hearing expenses (not covered by the Welfare Fund or Union) with before-tax dollars.

Learn More about HCFSA
HCFSA FAQs
Watch the HCFSA Video