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SUBJ/HEALTH CARE FLEXIBLE SPENDING ACCOUNT SPECIAL ENROLLMENT PERIOD FOR  
MILITARY PERSONNEL//

RMKS/1. This NAVADMIN announces the new opportunity for eligible Sailors to enroll in a Health Care Flexible Spending Account (HCFSA) during a Special Enrollment Period from 3-31 March 2025. The Department of Defense coordinated with the Office of Personnel Management to provide eligible Service Members access to this benefit. HCFSA is an optional benefit that enables Service Members to use pre-tax earnings to pay for eligible health care expenses, such as co-payments and cost shares, deductibles, dental (braces and orthodontia), vision (glasses and contact lenses), prescription drugs, and wellness treatments (acupuncture, massage, and chiropractic care). Contributions are directly deposited from pay into the Sailor's HCFSA before taxes are deducted, which reduces the Service Member's taxable income.

2. Eligibility. Both Active Component and Training and Administration of the Reserves (TAR) Sailors are eligible for enrollment in HCFsAs. Sailors in the Reserve Component, except for TAR Sailors, are not eligible. For complete eligibility information, see <https://finred.usalearning.gov/Benefits/HCFSA>.

3. Enrollment:

a. Eligible Sailors may enroll in a HCFSA for the 2025 plan year during the Special Enrollment Period from 3-31 March 2025. Enrollment will be processed by the Federal Flexible Spending Account Program (FSAFEDS) at <https://www.fsafeds.gov/>. An HCFSA allows each Sailor to contribute \$100-\$3,300 per year in pre-tax income to their account to pay for eligible health care costs. Households where both earners are eligible for an HCFSA through their employer may maintain two separate accounts and contribute a combined \$200-\$6,600 per year. A HCFSA typically operates on a calendar year, starting 1 January and ending 31 December. Sailors who enroll during the 2025 Special Enrollment Period have from the day after they enroll to 31 December 2025 to use and claim funds in their HCFSA account.

b. Eligible Sailors may also enroll at any time in an HCFSA following a qualifying life event such as the birth or adoption of a child, a divorce, or a permanent change of station.

c. Upon enrollment, a specified amount of funds will be withheld each pay period and deposited into their HCFSA.

d. Funds are available in the Sailors' HCFSA after each pay period to pay for eligible health care expenses. Sailors can then submit claims through the FSAFEDS website or official FSAFEDS app and receive reimbursement to their bank account or by check. For the procedures to file a claim, see <https://www.fsafeds.gov/file>.

e. Sailors or their families sometimes must pay out-of-pocket for certain health care expenses, supplementing the comprehensive coverage offered through TRICARE. Contributions to an HCFSA should be carefully planned based on expected out-of-pocket medical, dental, and vision expenses to be incurred during the year.

f. Sailors must use and claim the funds in their HCFSA account by the end of the plan year (e.g., 31 December 2025 for the 2025 plan year). Unclaimed funds will be forfeited at the end of the plan year (e.g., 1 January 2026 for the 2025 plan year).

g. Sailors can carry over up to \$660 of unused HCFSA funds to the next plan year if they re-enroll. Any carry over funds in excess of \$660 will be forfeited.

h. Annual Re-enrollment. Eligible Sailors must re-enroll each year during the Federal Open Season (e.g., from mid-November through mid-December 2025 for the 2026 plan year) to continue participation. A Sailor's participation will not automatically carry over from year to year.

Sailors must re-enroll each year to have access to any carryover funds. Sailors have until 30 April to submit prior year claims (e.g., 30 April 2026 for those enrolled in the 2025 plan year).

i. Carryover funds do not count against the \$3,300 maximum contribution limit per year (e.g., \$3,300 can be contributed for the 2026 plan year even if \$660 is carried over from the 2025 plan year).

#### 4. Things to consider before you enroll in HCFSA:

a. Review your family's budget and cash flow. Enrolling in a HCFSA will impact your take-home pay.

b. Understand your tax benefits. Free tax software and one-on-one help from military tax experts are available to Service Members and their families.

5. HCFSA Resources. Free assistance is available to help Sailors make the right decision, provide enrollment information, and understand how the HCFSA affects both their families' financial budget and tax situation. Resources can be obtained from the following sources:

a. Office of Financial Readiness DCFS web page:  
<https://finred.usalearning.gov/Benefits/HCFSA>.

b. Military OneSource:  
<https://www.militaryonesource.mil/benefits/health-care-flexible-spending-account/>.

c. FSAFEDS: <https://www.fsafeds.gov/explore/hcfsa>.

d. Local Command Financial Specialists and Fleet and Family Support Center Personal Financial Managers.

e. Tax consultation from MilTax via Military OneSource at

<https://www.militaryonesource.mil/media/toolkits/miltax/>.

6. Released by Vice Admiral Richard J. Cheeseman, Jr., N1.//

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