



WHY DO I NEED...

# A Medical/Dental Expense Account (MDEA)?



## WHAT IS IT?



A **Medical/Dental Expense Account (MDEA)** helps ease the burden of paying for health care by allowing you to use tax-free money to pay for your and your eligible dependent's medical expenses. After you set an election during open enrollment, you have access to that full election on the first day of the plan year as long as you are active on payroll on January 1.

## WHAT IS IT USED FOR?



You can use the money in a MDEA for qualified medical expenses. This includes coinsurance and copays, your deductible, dental/vision expenses, and over-the-counter drugs and medicines. Expenses can be for yourself, spouse, or eligible dependents. Check your Plan Highlights for additional information regarding eligible expenses.

## HOW DO I SAVE MONEY?



Just like your health insurance premiums, the money for a MDEA comes out of your paycheck before taxes. That's why MDEAs (and other accounts like it) are referred to as "pre-tax benefits."

## TAX SAVINGS EXAMPLE

You put \$2,000 into your MDEA and are taxed at a rate of 25%. You save \$500 annually.\*

\*For illustration purposes only. Individual tax rates and maximum limits apply.

## CALCULATE YOUR SAVINGS

Annual Election x Tax Rate = Annual Savings

\$ \_\_\_\_\_ x \_\_\_\_\_ % = \_\_\_\_\_

## WHY DO I NEED THIS PLAN?

There are two main reasons to participate in a MDEA:



- **It helps with cash flow.** The full annual election is available at the start of the plan year or on the date your MDEA becomes effective.
- **It's flexible.** Unlike Health Savings Accounts (HSAs), a MDEA can be elected even if not enrolled in the State's medical plan.

**Take the first step — estimate your expenses.** What are you likely to spend on medical expenses for the coming plan year? Estimate your expenses using our FSA Calculator. It's a good idea to be conservative in your estimates; you can't change your election after your company's benefits enrollment period ends unless you have a qualifying event. Be sure to check your Plan Highlights to determine the date restrictions on using the funds in the MDEA.

## HOW DO I ENROLL?



Open enrollment for your 2026 insurance benefits is **Thursday, October 30th** through **Wednesday, November 19th**. Go to: [mn.gov/selfservice](https://mn.gov/selfservice) and click on the "Open Enrollment" tile. There, you will find complete instructions for enrollment in your 2026 benefits.



Visit [BenefitResource.com/state-of-minnesota](https://BenefitResource.com/state-of-minnesota) to access all State of Minnesota pre-tax benefit plan materials, including plan documents, Open Enrollment materials, forms, videos, and more!

