Flexible Benefit Administrators Spending Accounts

FlexibleBenefit ADMINISTRATORS

Henry County Public Schools

Get reimbursed for out-of-pocket healthcare and expenses with tax free dollars!

MAXIMIZE YOUR INCOME!

Flexible Spending Accounts (FSAs) allow you to pay certain healthcare and dependent care expenses with pre-tax money. (The key to the Flexible Benefit Plan is that your eligible expenses are paid for with Tax Free Dollars.) You will not pay any federal, state or social security taxes on funds placed in the Plan. You will save between, approximately, $27.65 and $37.65 on every $100 you place in the Plan. The amount of your savings will depend on your federal tax bracket.

ELIGIBILITY

Participation in the Plan begins on July 1, 2018 and ends on June 30, 2019. If you are a full time employee who works at least 30 hours or more per week , you are eligible to participate in the Plan upon your date of hire or, if you are hired after the 15th of the month, you will be eligible to join the plan the first day of the next month. Those employees having a qualifying event (as definded by the IRS) are eligible to enroll within 30 days of the qualifying event. Deductions beginon the first pay period after the enrollment form is received. To participate in a Flexible Spending Account, you must complete an enrollment form each year during the enrollment period. If an enrollment form is not completed durning open enrollment, your enrollment will be cancelled and you will not be able to join until the next anniversary date of the Plan or if you have a qualifying event.

ELECTION CHANGES

Once you have enrolled in an FSA you may NOT make any changes to your election unless you have a change in status such as:

- Marriage or divorce
- Birth or adoption
- Involuntary loss of spouse's medical or dental coverage
- Death of dependent (child or spouse)
- Unpaid FMLA or Non-FMLA leave
- Change in Dependent Care Providers

REIMBURSEMENT SCHEDULE

All claims received in the office of Flexible Benefit Administrators, Inc. will be processed within one week via check or direct deposit. You may also use your Benefits Card to pay for expenses. Please refer to the Benefits Card section for details.

ONLINE ACCESS

Flexible Benefit Administrators, Inc. provides on-line account access for all FSA participants. Please visit their website at

www.mywealthcareonline.com/fba to view the following features:

- FSA Login – view balances, check status and view claims history-download participation forms
- FSA Educational Tools – FSA calculator: estimate how much you can save by utilizing an FSA.

HEALTHCARE REIMBURSEMENT

With this account, you can pay for your out of pocket health care expenses for yourself, your spouse and all of your dependents for healthcare services that are incurred during your plan year and while an active participant. Eligible expenses are those incurred "for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body." This is a broad definition that lends itself to creativity.

EXAMPLES OF ELIGIBLE HEALTH CARE EXPENSES

Fees/Co-Pays/Deductibles For:

- Acupuncture
- Prescription Eyeglasses/ Reading glasses/ Contact lens and supplies/ Eye Exams/ Laser Eye Surgery
- Physician
- Ambulance
- Psychiatrist
- Psychologist
- Anesthetist
- Hospital
- Chiropractor
- Laboratory/ Diagnostic
- Fertility Treatments
- Surgery
- Dental/ Orthodontic Fees
- Obstetrician
- X-Rays
- Eye Exams
- Prescription Drugs
- Artificial limbs & teeth
- Birth control pills, patches
- Orthopedic shoes/ inserts
- Therapeutic care for drug and alcohol addiction
- Vaccinations & Immunizations
- Mileage
- Take-home screening kits
- Diabetic supplies
- Routine Physicals
- Oxygen
- Physical Therapy
- Hearing aids and batteries
- Medical equipment

OVER-THE-COUNTER EXPENSES

Examples of medications and drugs that may be purchased in reasonable quantities with a prescription:

- Antacids
- Pain relievers/aspirin
- Ointments & creams for joint pain
- Allergy & sinus medication
- First aid creams
- Cough & cold medications
- Laxatives
- Anti-diarrhea medicine

THE HEALTH CARE ACCOUNT IS A PRE-FUNDED ACCOUNT

This means that you can submit a claim for medical expenses in excess of your account balance. You will be reimbursed your total eligible expense up to your annual election. The funds that you are pre-funded will be recovered as deductions deposited into your account throughout the Plan Year.

Contribution Limits: The maximum you may place in this account for the Plan Year is $2,650.

Flex Note: *FLEX is authorized by Section 125 of the Internal Revenue Code.*

DAY CARE/AGED ADULT CARE REIMBURSEMENT

The Day Care/Aged Adult Care FSA allows you to pay for day care expenses for your qualified dependent/child with pre-tax dollars. Eligible Day Care/Aged Adult Care expenses are those you must pay for the care of an eligible dependent so that you and your spouse can work. Eligible dependents, as revised under Section 152 of the Code by the Working Families Tax Act of 2005, are defined as either dependent children or dependent relatives. This can include stepchildren, grandchildren, adopted or foster children; refer to the Employee Guide for more details. Eligible dependents are further defined as:

- Under age 13
- Physically or mentally unable to care for themselves such as:
  - Disabled spouse
  - Disabled child
  - Elderly parents that live with you

Contribution Limits: The annual maximum contribution may not exceed the lesser of the following:

- $5,000 ($2,500 if married filing separately)
- Your wages for the year or your spouse's if less
- Maximum is reduced by spouse's contribution to a Day Care/Aged Adult Care FSA

HOW THE FLEXIBLE BENEFIT PLAN WORKS

	Without Flex Benefits	With Flex Benefits
Gross Monthly Income	$ 2,500.00	$ 2,500.00
Eligible Pre-Tax employer medical insurance	$ 0.00	$ 200.00
Eligible Pre-Tax Medical Expenses	$ 0.00	$ 60.00
Eligible Pre-Tax Dependent Child Care Expenses	$ 0.00	$ 300.00
Taxable Income	$ 2500.00	$ 1940.00
Federal Tax (15%)	$ 375.00	$ 291.00
State Tax (5.75%)	$ 125.00	$ 97.00
FICA Tax (7.65%)	$ 191.25	$ 148.41
After-Tax employer medical insurance	$ 200.00	$ 0.00
After-Tax medical expenses	$ 60.00	$ 0.00
After-Tax dependent child care expenses	$ 300.00	$ 0.00
Monthly Spendable Income	$ 1248.75	$ 1403.59

By taking advantage of the Flexible Benefit Plan this employee was able to increase his/her spendable income by $154.84 every month! This means an annual tax savings of $1,858.08. Remember, with the FLEXIBLE BENEFIT PLAN, the better you plan the more you save!

ELIGIBLE DAY CARE/AGED ADULT CARE EXPENSES

- Au Pair
- Nannies
- Before and After Care
- Day Camps
- Babysitters
- Daycare for an Elderly Dependent
- Daycare for a Disabled Dependent
- Nursery School
- Private Pre School
- Sick Child Center
- Licensed Day Care Centers

Ineligible Expenses

- Overnight Camps
- Babysitting for Social Events
- Leave of Absence or Vacation
- Tuition Expenses Including Kindergarten
- Food Expenses (if separate from dependent care expenses)
- Care Provided By Children Under 19 (or by anyone you claim as a dependent)
- Days Your Spouse Doesn't Work (though you may still have to pay the provider)
- Kindergarten expenses are ineligible as an expense because it is primarily educational, regardless if it is half or full day, private, public, state mandated or voluntary.
- Transportation, books, clothing, food and entertainment are ineligible if these expenses are shown separately on your bill.

HOW TO RECEIVE REIMBURSEMENT

To obtain a reimbursement from your Flexible Spending Account, you must complete a Claim Form. This form is available to you in your Employee Guide or on our website. You must attach a receipt or bill from the service provider which includes all the pertinent information regarding the expense:

- Date of service
- Patient's name
- Amount charged
- Provider's name
- Nature of the expense
- Amount covered by insurance (if applicable)

Canceled checks, bankcard receipts, credit card receipts and credit card statements are NOT acceptable forms of documentation. You are responsible for paying your healthcare or dependent care provider directly.

FORFEITING FUNDS

Plan carefully! Unused funds will be forfeited as governed by the IRS's "use-it-or-lose-it" rule. Please see the Employee Guide for more info.

HOW TO ENROLL IN OUR FSA PLAN

Step 1

Carefully estimate your eligible Health Care and Day Care/Aged Adult Care expenses for the upcoming Plan Year. Then use our online FSA Educational Tools located at www.mywealthcareonline.com/fba to help you determine your total expenses for the Plan Year.

Step 2

Complete the Enrollment Form (available from your Benefits Administrator), which instructs payroll to deduct a certain amount of money for your expenses. This amount will be contributed on a pre-tax basis from your paychecks to your FSA. Remember the amount you elect will be set aside before any federal, social security, and state taxes are calculated.

BENEFITS CARD

You may also use your Benefits Card to pay for eligible expenses at approved service providers and merchants. Using your card allows you instant access to your funds with no out of pocket expense. Please keep all your itemized receipts. Flexible Benefit Administrators, Inc. may request documentation to substantiate Benefits Card transactions to determine eligibility of an expense. You may also elect to have an additional Benefits Card for your dependent(s) over the age of 18. Please contact Flexible Benefit Administrators, Inc. to order additional cards.

FlexibleBenefit ADMINISTRATORS

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www.flex-admin.com

IMPORTANT INFORMATION

PLAN YEAR: July 1, 2018 – June 30, 2019

Healthcare Flexible Spending Account Maximum: $2,650.00
Dependent Care Flexible Spending Account Maximum: $5,000.00

ENROLLMENT PROCESS

To participate in a Flexible Spending Account, you must complete an enrollment form each year during the enrollment period. If an enrollment form is not completed during open enrollment, your enrollment will be cancelled and you will not be able to join until the next anniversary date of the plan.

ELIGIBILITY REQUIREMENTS

If you are a full-time employee who works at least 30 hours or more per week, you are eligible to participate in the Plan upon your date of hire or, if you are hired after the 15th you will be eligible to join the plan the first day of the next month.

Your FBA Benefits Card

With your FBA Benefits Card you have immediate access to pay for your eligible medical expenses. This allows you to avoid the hassle of paying out of pocket for services and then filing a claim for and waiting for a reimbursement check.

Where can I use my card?

Your card can be used at any authorized medical provider who accepts MasterCard. A complete list of authorized providers and retailers is available at www.sig-is.org.

The debit card system is coded to only accept charges from qualified merchants (i.e. doctor's office, dentist's office, pharmacy, online pharmacy, etc.).

Debit card or Credit Card?

You have the option of choosing credit or debit when using your FBA Benefits Card. We recommend you utilize the card as a credit card. If you chose to use the debit option, please visit the online portal and select *My Cards* then *View PIN* to obtain your PIN for debit transactions.

Do I need to submit documentation for my card transactions?

Some transactions made when using the FBA Benefits Card do require you to submit documentation as per IRS Regulations. You only need to submit documentation to us if you receive a notice from our office requesting it. These notices will be sent to you by regular mail or email (if on file).

To receive these notifications by email, please visit the online portal and update your communication preferences.

Do I need to submit the same documentation for repeat transactions?

If you have recurring expenses such as chiropractic care or allergy shots, you are able to have these transactions coded as recurring in our system. This allows us to automatically substantiate your transaction based on the documentation you will submit with the first charge.

Remember that recurring expenses can only be coded in our system if those transactions match the exact dollar amount at the same merchant/provider as the previous charge. Recurring expense coding will renew automatically from plan year to plan year.

How do I request an additional card for my dependents?

Please contact our office to request an additional card for your eligible dependents. Requests can be made by email, mail or by fax.



Contact Us! Ph: 1-800-437-3539 Email: flexdivision@flex-admin.com
Online Chat: www.flex-admin.com Fax: 757-431-1155

I received a request for documentation, what do I need to send?

IRS regulations require substantiation for any card swipe that does not equal a 'standard' co-payment amount (i.e. $10,$20,$35, etc.) or is not a recurring expense that was previously reviewed. Co-insurance will generally not match "standard" co-payment amounts.

When submitting your documentation, please ensure it includes the following:

- Date of Service
- Patient/Dependent's Name
- Amount Charged
- Provider/Merchant's Name
- Prescription Number/Name (if applicable)
- Nature of Expense

Remember cash register receipts are only acceptable for over-the-counter items and Prescription Expenses.

Can I use my card for my orthodontic payments?

Absolutely! Once you receive your ortho contract, just send a copy to our office and we will update your account. Each month that you charge your orthodontic contract payment to your card it will be automatically approved. Remember that your card swipe must match the payment plan in your contract in order for it to be automatically approved.

Why was my card declined?

There are several reasons your card may be declined.

- No available balance
- Ineligible Service Provider
- Expired Card
- Card has been Deactivated

We encourage you to review your account activity through the online portal and mobile app to ensure you have an available balance. If you need assistance with a card being declined please contact our office.

Did You Know?

How do I activate my card?

Your new card will be activated upon your first swipe. Your plan year election will automatically load on your card with your new annual election amount.

When does my card expire?

Your card is valid for three years as long as you are enrolled in the plan. We will mail you a new card prior to the new plan year if your card expires.

How do I replace a lost or stolen card?

You can report your card lost/stolen and order a replacement card through our online portal or by contacting our office at 800-437-3539.

How do I review my card transactions?

Our online portal and mobile app offer you real time access to your account transactions and balance. Log-in to mywealthcareonline.com/fba or download the mobile app for your smartphone or tablet from Google Play or iTunes Store by searching for *FBA Mobile*.