The Full Benefits of a Flexible Spending Account with a Debit Card
A Flexible Spending Account (FSA) allows you to set aside money, on a pre-tax basis, to pay for IRS approved out-of-pocket expenses.

The Health Care Account reimburses you for eligible health care expenses for you and your dependents. These expenses include:

- Expenses not covered by your health care plans
- Deductible, copayment and coinsurance amounts you pay for medical, dental and vision care
- Eligible over-the-counter medications

It does not include premiums for your insurance, cosmetic treatments, vitamins, dietary supplements or other items restricted by the IRS.

The Dependent Care Account reimburses you for eligible dependent day care expenses so that you and your spouse (if married) may work, look for work or attend school.

Dependents include your children under the age of 13, or a relative living with you that the IRS defines as a dependent and who cannot care for themselves.

You can get a more complete list of eligible expenses from the IRS or your tax advisor.

*If they are purchased with a physician’s prescription.
**How Does An FSA Work?**

- **ESTIMATE** your out-of-pocket expenses and decide how much to set aside for the year. Be sure to check the minimum and maximum contribution amounts your plan allows.
- **ENROLL** in the FSA plans according to the instructions provided by your employer.
- **DEDUCTIONS** will be taken in equal amounts each pay period.
- **SUBMIT** a Reimbursement Request with proof of your expense when you receive services for an eligible expense.
  
  Services must be provided during the year in which your deductions are taken.
  Reimbursement Requests must be submitted within 90 days of the end of the year, or your last day of employment (whichever is earlier).
- **REIMBURSEMENT** from your FSA Account occurs weekly if you submit a claim form with supporting documentation.
- **USE** your FSA Debit Card and the funds will be immediately deducted from your account. If used for eligible expenses that don’t require a physician’s note, a claim form and supporting documentation is not required.

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**USE IT OR LOSE IT** - Unused Funds Will Be Forfeited!

- You cannot change your election unless a Life Event occurs
- Funds cannot be refunded to you
- Funds cannot be rolled over to the new year
- Funds cannot be moved between FSA accounts

These are IRS Regulations – so estimate carefully

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When you enroll, you will receive a packet of information that includes:

- Verification of your personal information and your elections
- A Reimbursement Request Form with instructions on how to complete and submit the form
- Instructions to access your account online including your Login ID, Password, and Login Method

You can access your account balance online at [www.MyFSAExpress.com](http://www.MyFSAExpress.com) • 24 hours a day, 7 days a week.

Or, you can call **877-837-5017** • Monday through Friday between the hours of 7:30 AM and 6:00 PM CST.

Or, you can email help@mybenefitexpress.com
**IRS APPROVED WAY TO REDUCE YOUR TAXES**

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Actual savings will vary based on your individual tax situation.

**Remember....**

Reducing your taxable income may affect your future Social Security Benefits.
The IRS will not allow you to take the Dependent Care Tax Credit for expenses reimbursed through your FSA account.

Depending on your personal situation, the Dependent Care Tax Credit may be more advantageous than the Pre-Tax Flexible Spending Account.

Consult your tax advisor.

Effective January 1, 2011, certain over-the-counter medications and drugs will require a physician’s prescription.
**How Do You Submit A Claim Form?**

Reimbursement Request Forms can be found at [www.MyFSAExpress.com](http://www.MyFSAExpress.com) or by calling **877-837-5017**.

**You must provide proof of expense that includes:**

- Name of Provider
- Date of Service
- Description of Service
- Name of Person Receiving Service
- Amount That You are Responsible for Paying
- SSN or Federal Tax ID Number of the service provider (for dependent day care services)
- Eligible over-the-counter medications and drugs may require a physician’s prescription.

Balance forward statements, cancelled checks and credit card receipts are not acceptable forms of proof.

**Send your reimbursement request form and proof of expense to:**

![Benefit Express](image)

P.O. Box 189  
Arlington Heights, IL 60006-0189  
FAX: 253-793-3766

Reimbursement Requests are processed weekly.  
*Please check your online login instructions for reimbursement processing schedule.*
**Benefit Express “My Card” F.A.Q.**

**Q:** What is the Benefit Express My Card?

**A:** The Benefit Express ‘My Card’ is a debit card that can simplify the process of paying for eligible FSA expenses. You can use the card at qualifying merchant locations, pharmacies, and doctors’ offices that accept the debit card.

**Q:** How does the card work?

**A:** Your FSA Debit Card can be used to pay for qualified expenses anywhere debit cards are accepted, just as you would use a credit card. It is your responsibility, however, to ensure that your FSA Debit Card is used only for qualified medical expenses.

Once activated, the card is loaded with the amount you have elected to contribute to your benefit program. As you use the card to pay for items eligible for reimbursement, corresponding deductions will be made from the card balance.

Special arrangements with merchants such as Walgreens and Walmart allow you to make eligible purchases that are automatically approved. In most cases, this means that you will not be required to submit receipts for substantiation, although we always recommend that you keep your receipts in case a situation arises in which a transaction is questioned. In other transactions outside of Walgreens and Walmart, you will be asked to provide copies of the documentation. We recommend that you keep all receipts for the entire plan year in the event that supporting documentation is requested.

You are responsible for periodically checking your account balances to make sure you have sufficient funds available for future use.

**Q:** What are “qualified” medical expenses?

**A:** Qualified expenses are expenses for medical services not covered by your health insurance including:
- Prescription and physician co-pays.
- Eligible over-the-counter medications such as aspirin and cold and allergy medications with a physician’s prescription.
- Vision, dental, chiropractic, and acupuncture services.

**Q:** What are non-qualified medical expenses?

**A:** Typical examples of non-qualified expenses include:
- Cosmetic treatments (teeth whitening, hair growth or removal products, and facial treatments)
- Over-the-counter items purchased for general health and wellness (vitamins and supplements, moisturizing lotions)
- Payments against an existing medical balance from a prior plan year (e.g., dental service balances carried over into a new plan year)
- Pre-treatment or advance payments for medical or dental services that have not yet started.
- Some items require a physician’s note in order to be reimbursed, such as massage treatments for back pain or a vitamin supplement recommended by a doctor to treat a deficiency.

**Q:** Who verifies that purchases have been made for qualified expenses?

**A:** As the plan administrator, we work to ensure all purchases made using your FSA debit card are eligible under IRS guidelines. Therefore, as with any FSA plan, it is important that you retain copies of all medical receipts. If a purchase made with your FSA debit card needs to be verified, a letter or email will be sent directly to you requesting a copy of the supporting documentation for the pending debit card.
transaction. This documentation can be mailed or faxed directly to our office, along with a copy of the email or letter request so that we can adjudicate the pending transaction.

Q: Do all FSA Debit Card transactions require this verification process?
A: No. Common co-pay amounts for both prescriptions and medical visits ($5, $10, $15, $20, etc.) will automatically adjudicate. Eligible over-the-counter medical expenses purchased at places like Walgreens and Walmart will also automatically adjudicate.

Q: What is the advantage of using an FSA Debit Card if I still have to follow-up with receipts in some instances?
A: The card allows you to pay for eligible expenses at the point of service. Additional benefits include:
- Immediate access to your FSA account – you avoid paying with cash or check.
- Immediate payment of the expense – you avoid waiting for the reimbursement check.
- The ease of use at the point of sale, reduced burden of having to pay money out-of-pocket, and eliminating the wait for a reimbursement have proven to be extremely convenient for plan participants.

Q: What if my provider does not accept the debit card?
A: Paper claims can always be submitted as an alternative. If your provider does not accept debit cards, you can pay by cash or check at the time of service and submit the receipt with a completed claim form for reimbursement. You have the option of receiving reimbursements by check or setting up reimbursements to be directly deposited into your banking account.

Q: What happens if I use the card for an ineligible expense or non-qualifying expense?
A: Before using the card, you should become familiar with eligible and ineligible expenses. Be sure to have merchants ring up qualifying expenses separate from other items so you can use the card. In the event that you use the card for non-qualifying expenses, you will be required to pay back the plan via a personal check.

Q: What happens if I do not reply to the letter requesting additional information?
A: In the event that the request for additional information is ignored, a second letter is generated giving you additional time to respond. If there is no reply to the second request, collection procedures will begin. The card will be deactivated and you will be required to repay the ineligible amount back to the plan.

Q: Is there any limitation on the usage of the FSA Debit Card?
A: Aside from using the card for only qualifying expenses, there are no limitations and no transaction fees associated with using the card.

Q: What are some reasons my card might not work at a location that normally accepts debit cards?
A: - Card has been inactivated - if you used the card for non-qualifying expenses and have not repaid the plan.
- Insufficient Funds – trying to use the card for more than the remaining balance in your plan.
- Merchant Problem – The merchant may be experiencing problems with the coding in their own terminal (this is rare).

Q: May I use the My Card for expenses incurred in the prior plan year?
A: No. Expenses must have a date of service that falls within the current plan year.

Q: Must I use the debit card for all expenses incurred during the plan year?
A: No, supporting documentation with a completed claim for can be mailed or faxed to us for reimbursement.

Q: What happens if I have a $1,000.00 limit on my FSA debit card but I have a $1,500.00 transaction?
A: You can use your card to pay for the $1,000.00 portion and pay for the remainder with cash or check. If you try and pay for a purchase that exceeds your limit, the transaction will be rejected.

Q: If I terminate employment, can I use the card?
A: No. Upon termination your card will be deactivated. If you still have qualifying expenses that occurred before your date of termination you can submit them via mail or fax with a completed claim form and the supporting documentation.
The retailers listed below have adopted IIAS (Inventory Information Approval System). This system automatically identifies FSA eligible merchandise, which has a unique identifying number, as items are scanned during the checkout process. If the customer wishes to use the FSA card for payment of FSA eligible merchandise, they can simply swipe their card at the debit reader and then pay for the non-FSA merchandise with another form of payment.

You will still be required to submit receipts for purchases made at retailers not on this list. Regardless of where you shop, we do advise you to keep all receipts for IRS purposes.

FSA Debit Card IIAS Compliant Merchants

- A&P
- Bigg’s
- Cubs
- Dierbergs Markets
- Farm Fresh
- Giant Eagle
- Harris Teeter, Inc.
- Hornbachers
- Kerr Drug
- Lucky
- Pavilions
- Rite Aid
- Sam’s Club
- ShopKo Stores/Express
- Target
- Waldbaun’s

- ACME
- Bloom
- CVS
- Discount Drug Mart
- Food Basics
- Giant Food
- Harvey’s
- Hy-Vee Drug Stores
- Kroger
- Macey’s
- Price Chopper
- Rosauers
- Sav-A-Center
- SuperFresh
- Tom Thumb
- Walgreens

- Albertson’s
- Bottom Dollar Food
- Dan’s
- Dominick’s
- Food Lion
- Giant Food Stores
- H-E-B
- Hy-Vee Food Stores
- Lin’s
- OSCO
- Randalls
- Roundy’s Supermarkets
- Shaws
- Super 1 Pharmacies
- Tops Markets
- Walgreens

- Balls Food Stores
- Brookshires/Super 1 Foods
- Dick’s
- Drugstore.com
- Genuardi’s
- Hannaford
- Hen House Markets
- Jewel
- Long’s Drug Stores
- Pak’ n Save Foods
- Reid’s
- Safeway
- Shop & Save
- Sweetbay
- Vons

This is not an all-inclusive list as the number of retailers adopting the IIAS system will continue to grow. Ask the retailer if they are IIAS compliant before making your purchase if you are not sure.
FSA HEALTH CARE ELIGIBLE & INELIGIBLE EXPENSE ITEMS

FSA ELIGIBLE HEALTH CARE EXPENSES

Acupuncture
Alcoholism treatment
Ambulance
Artificial limb
Autoette/wheelchair
Bandages
Braille books and magazines
Chiropractor
Christian Science Practitioner (for medical care)
Coinsurance
Crutches
Deductibles
Diagnostic services
Disabled dependent medical care
Drug/alcohol addiction treatment (including lodging and meals, if necessary for treatment)
Drugs and medicines (prescribed by a physician)
Durable medical equipment
Guide dog
Hearing aids and hearing exams
Home care
Hospital services
Inpatient care for treatment of mental or physical handicap
Laboratory fees
Leads based paint removal (to prevent a child who has, or has had, lead poisoning from eating the paint would qualify)
Learning disability counseling (if prescribed by a physician)
Lodging essential to medical care (e.g. out of town hotel stay to see a specialist to treat a medical condition)
Maternity care and related services

Medical services (physician, surgeon, specialists)
Medicine prescribed by a physician
Mentally disabled, special home for
Nursing services (in home if recommended by physician)
Operations
Organ donor’s medical expense and transportation
Osteopath
Oxygen
Prosthesis
Psychiatric care
Psychoanalysis
Psychologist
Routine physical exam-wellness visit, well woman exam
Special education (with physician’s recommendation)
Special medical equipment such as wheelchairs, crutches, and orthopedic shoes.
Sterilization
Smoking assist programs
Surgery
Telephone/television for the hearing impaired
Therapy
Transplants
Transportation essential to medical care (e.g. taxi, bus, train fare to physician’s office)
Vasectomy
Weight-loss program prescribed by a physician as part of a treatment program.
Wig (to replace hair loss to disease)
X-rays

COVERED DENTAL EXPENSES

Crowns
Dentures
Orthodontics (braces, etc.)
Preventative and basic procedures (e.g. teeth cleaning, exam)
Root canals
Tooth extractions

ELIGIBLE EYE CARE EXPENSES
Optometric services and medical expenses for eyeglasses and contact lenses needed for medical reasons are reimbursable. Eye exams and expenses for contact lens solutions are also reimbursable. However, premiums for contact lens replacement insurance are not reimbursable. Other vision services that are covered are:
- Contact lens cases
- Corrective swim goggles
- Eye charts
- Eyeglass cases
- Eyeglass cleaning supplies such as cleaning cloths
- Reading glasses
- Eyeglass repair or repair kits
- Safety glasses when the lenses correct visual acuity
- Sunglasses or sunglass clips when the lenses correct visual acuity
- Vision shaping

ELIGIBLE OVER-THE-COUNTER ITEMS THAT REQUIRE A PHYSICIAN’S NOTE
Section 9003 of the Affordable Care Act established a new uniform standard for medical expenses. Effective January 1, 2011, distributions from health FSAs and HRAs will be allowed to reimburse the cost of over-the-counter medicines or drugs only if they are purchased with a prescription. This new rule does not apply to reimbursements for the cost of insulin, which will continue to be permitted, even if purchased without a prescription.

Starting January 1, 2011, eligible expenses that will require a physician’s prescription for reimbursement may include, but are not limited to:
- Acetaminophen
- Acne products
- Allergy products
- Antacid remedies
- Antibiotic creams/ointments
- Anti-fungal foot sprays/creams
- Aspirin
- Baby care products
- Cold remedies, (including shower vapor tabs and vapor units)
- Cough syrups and drops
- Eye drops
- Ibuprofen
- Laxatives
- Migraine remedies
- Motion sickness remedies
- Nasal sprays
- Pain relievers
- Sleep aids
- Topical creams for itching, stinging, burning, pain relief, sore healing or insect bites

ELIGIBLE OVER-THE-COUNTER MEDICATION EXPENSES
Items that will continue to be eligible without a physician’s prescription after January 1, 2011 include, but are not limited to:
- Band aids
- Bandages and wraps
- Braces and supports
- Catheters
- Contact lens solutions and supplies
- Contraceptives and family planning items
- Denture adhesives
- Insulin and diabetic supplies
- Diagnostic tests and monitors and first aid supplies, peroxide and rubbing alcohol

ITEMS NOT ELIGIBLE FOR FSA REIMBURSEMENT
Adoption — The cost of the adoption itself is not covered, however health-related expenses such as physicals for the adoptive parents and pre-adoption counseling may be covered.
- Age management systems (Cenegenics)
Annual medical contract fees for exclusive provider care
Breast pump, shields, gel pads
Clothing
Cosmetic procedures
Cushions
Dental bleaching or any other teeth whitening
Dental enamel micro-abrasion
Domestic help fees (for services of a non-medical nature)
Driving lessons
Electric toothbrush replacement brushes
Electrolysis or hair removal
Facial tissues, antiviral
Finance charges
Fluoride — expenses paid for over-the-counter fluorides such as toothpaste with fluoride, or fluoride mouth wash or rinse.
Glucerin shakes
Hair loss treatments (non-prescription) such as over-the-counter medications are not covered. However, prescription medications prescribed by a physician to treat a medical condition are covered.
Hair transplant
Health club dues/memberships, for general well-being unless part of a medically prescribed regimen to treat a specific condition. Physician’s diagnosis letter required.
Insurance premiums of any kind (see exceptions for HRA and HSA)
Interest
Lactation consultation
Laetrile, even if prescribed by a physician.
Late charges
Late payment interest
Lens replacement insurance
Marijuana, even if prescribed for medicinal purposes.
Massage therapy for general well-being, unless accompanied by a physician’s diagnosis letter.
Medicine flavorings
Missed appointment fees
Over-the-counter items which are items not categorized as a medicine or drug and may include, but are not limited to, nail clippers, pumice stones, feminine hygiene products, etc., are not reimbursable, unless accompanied by a physician’s diagnosis letter. Over-the-counter toiletries or personal hygiene items which may include, but are not limited to shampoo, toothpaste, conditioners, hand creams, deodorant, shaving cream, razors, dental floss, body powders, hair gels/sprays, make-up, nail polish accessories, soap, mouthwash, etc., are not reimbursable.
Pastoral counseling
Personal trainer
Physical therapy treatments for general well-being
Pill bags
Postage
Pre-seed moisturizers
Saddle soap
Savings club
Shampoo that is non-medicated
Spider vein therapy such as with sclerosing agent injections are considered cosmetic. However, if the therapy is for other than a diagnosis of spider vein therapy the charges are reimbursable when accompanied by a physician’s diagnosis letter.
Supplements taken for general well-being.
Tanning lotions without sun protection
Tips paid for taxi fares, etc.
Ultrasound — 4D/Elective
Union dues
Vitamins taken for general well-being.
Warranties
Weight loss program food or convenience items such as water bottles.
Weight loss machines
This brochure provides a general overview of the FSA Accounts available to you. Please see your Plan Document for more specific information. If any conflict arises between this brochure and your Plan Documents, the terms of the Plan Document will apply.