



Flexible Spending Account (FSA)

Enrollment Kit with Debit Card

Page	Contents Include:
1.	Cover Page & Table of Contents
2.	Flexible Spending Account (FSA) Overview
3.	OTC Eligible Items for Reimbursement Overview
4.	Dependent Care Spending Account Overview
5.	How Much Can I Save Overview
6.	Estimated Expenses Worksheet
7.	FSA Election Form
8.	myFlexInfo.com Overview & FSA Enrollment Video
9.	mySourceCard™ Debit Card Overview
10.	mySourceCard Debit Card Enrollment Agreement

Contact Us Today!

www.myflexinfo.com
p: 866-472-0882 // f: 847-440-9100
dcinfo@flexiblebenefit.com



Flexible Spending Account (FSA)

A Flexible Spending Account (FSA) allows you to select benefits that apply to your needs and set aside tax-free dollars to pay expenses not paid in full or not covered by your health insurance.



Using tax-free dollars will increase your spendable income by reducing taxable income. When you participate in this spending account, you should decide beforehand what your expected healthcare expenses would be during the coming year. As you plan your FSA expenses for the year, it is important that you make accurate, conservative estimates. The benefit is not portable; expenses must be incurred within the plan year or the participant will lose the money in the account.

Why Choose An FSA?

On your federal income tax form, you can deduct healthcare expenses, but you must exceed 7.5 percent of your adjusted gross income to do so. With the FSA, you save taxes on all qualifying healthcare expenses immediately because those expenses are paid for with tax-free dollars. The only restriction is that you cannot use these healthcare expenses for both the FSA and for a federal tax deduction.

How Do I Get Reimbursed?

You will be reimbursed with tax-free dollars from your account after you submit an eligible request for reimbursement. The reimbursement form is available online at www.myflexinfo.com. It is easy to complete and must be accompanied by a paid receipt for services or an Explanation of Benefits (EOB), which you receive from your health insurance provider. Reimbursements are issued twice a month. You will have a period of time after the plan year ends (determined by your employer) to submit claims for expenses incurred during this plan year. Each time you receive a reimbursement, your account balance will be displayed. You will always know where you stand.

Contact Us Today!

www.myflexinfo.com

What Expenses Can I Pay For With My Tax-Free Dollars?

You may use this account to pay for unreimbursed healthcare expenses defined by IRS Code Sect. 213(d).

- Medical plan deductibles and copayments
- Well-baby care
- Dental care expenses not covered by your dental plan
- Therapy
- Prescription medication
- Vision care
- Orthodontia
- Annual physicals
- Psychiatry (if medically necessary; excludes marriage counseling)
- Over-the-counter eligible items

Note: **Effective January 1, 2011**, over-the-counter medicine and drugs will require a prescription for reimbursement with FSAs.



Change In Status

When your needs change, Flex125 does too! You can change your plan elections if you have a change in status, including—but not limited to—marriage, divorce, birth of a child, death of a child or spouse, adoption, or change of employment by spouse. Your change in election must reflect your change in status.



Over-the-Counter (OTC) Eligible Items for Reimbursement

Contact Us Today!
www.myflexinfo.com

Examples of Eligible Items: Without a Prescription

- Band Aids & First Aid Dressings
- Contact Lens Solution
- Durable Medical Equipment
- Diabetes Testing Supplies
- Insulin



Examples of Eligible Items: That Require a Prescription*

- Allergy & Sinus Medicines
- Antibiotic Products
- Cough, Cold and Flu Medicines
- Pain Relief Medicines
- Acid Control Medicines



Examples of Non-Eligible Items

- Cosmetics
- Toiletries
- Diapers
- Vitamins
- Toothpaste/toothbrush



*Effective January 1, 2011, as part of the Healthcare Reform changes, Over-the-Counter (OTC) medicine and drugs will require a prescription in order to be considered an eligible expense for the FSA.

NOTE: The above lists are partial lists of typical eligible and non-eligible items and do not include all eligible or non-eligible expenses. The above lists are subject to IRS rules and regulations under Code Section 213(d).

For more information regarding OTC medication and drug changes effective January 1, 2011, please call Flex at 866-472-0882.



Dependent Care Spending Account

A Flexible Spending Account (FSA) Dependent Care Spending Account allows you to pay for child or elder care expenses with tax-free dollars.



Using tax-free dollars will increase your spendable income by reducing taxable income. These expenses must be incurred while you are employed, and must be for the care of a Section 125 tax dependent. When you participate in this spending account, you should conservatively pre-determine what your dependent care expenses will be during the coming year.

This benefit is not portable; expenses must be incurred within the plan year or the participant will lose the money in the account.

How Much Can You Contribute to Your Account?

If you are married and you and your spouse file taxes on an individual basis, you may contribute up to \$2,500 a year. If you are single or married and file taxes jointly, you may contribute up to \$5,000 a year.

Why Choose The Dependent Care Spending Account (DCSA)?

In many cases, DCSAs can provide greater reimbursement than the Federal Dependent Child Tax Credit Program (DCTC) (participants should check with their accountant to verify their maximum credit). Additionally, it can reimburse custodial expenses for adult dependents who are incapable of self-care. The DCSA provides benefit throughout the year, unlike the DCTC, which provides benefit only when your taxes are filed.

Reimbursements

You will be reimbursed from your DCSA Account by submitting a claim form along with a receipt showing the amount of the expense, type of service, dependent's name, span date of service and the Social Security number or tax ID number of the provider. The provider can also be a relative and the same documentation is required. Also, you cannot receive more than your current balance at any time. Each time you receive a reimbursement, your account balance will be displayed.

At the end of the year, you will also be required to produce the name, address, and Social Security of your dependent care provider on your income tax return.

Contact Us Today!

www.myflexinfo.com

What Expenses Can I Pay For With My Tax-Free Dollars?

Eligible Expenses Include:

- Preschool charges
- Before- and after-school care
- In and out of home care for children or the elderly
- Summer camp
- Preschool at a private school

What Is the Maximum Amount You Can Be Reimbursed?

Eligible dependent care expense reimbursement is limited to your earned income if you are not married or the lesser of your earned income or that of your spouse if you are married, up to a maximum reimbursement of \$5,000.



Change In Status

When your needs change, Flex125 does too! You can change your plan elections if you have a change in status, including—but not limited to—marriage, divorce, birth of a child, death of a child or spouse, adoption, change of employment by spouse or change in care provider. Your change in election must reflect your change in status.



Contact Us Today!
www.myflexinfo.com

How Much Can I Save?

The following example illustrates the savings of a typical employee who chooses Flex125.

	Without Flex125	With Flex125
Gross Monthly Compensation	\$1,000.00	\$1,000.00
Less Pre-Taxed Expenses		
FSA Expense		\$25.00
Dependent Child Care		\$200.00
Group Medical Insurance Premium		\$50.00
Group Dental Premium		\$2.00
Gross Taxable Income	\$1,000.00	\$723.00
Less Taxes and After-Tax Expenses		
Federal Income Tax at 20%	\$200.00	\$144.60
State Income Tax at 10%	\$100.00	\$72.30
Social Security Tax at 7.65%	\$76.50	\$55.31
Group Medical Insurance Premium	\$50.00	
Group Dental Premium	\$2.00	
Net Paycheck	\$571.50	\$490.79
Plus Flex125 Plan Reimbursements		
FSA Reimbursement		\$25.00
Dependent Care Spending Account Reimbursement		\$200.00
Disposable Income	\$571.50	\$675.79
Estimated Increase in Spendable Income per Month		\$104.29
Estimated Increase in Spendable Income per Year		\$1,251.48

These savings represent an increase of 18% in this employee's disposable income —a substantial pay increase.



Estimated Expenses Worksheet

Contact Us Today!
www.myflexinfo.com

Use the **FSA Worksheet** to estimate your FSA expenses.

Eligible Expenses:	Estimated Expenses
Healthcare Expenses-	
Deductibles	_____
Copayments	_____
Routine physical exams	_____
Well-baby care	_____
Chiropractic care	_____
Other medical expenses not reimbursed by your health plan	_____
Other FSA Expenses-	
Dental Expenses	_____
Orthodontia	_____
Eye exams, glasses & contacts	_____
Hearing Aids	_____
Other/OTC Drugs/Items*	_____
Total Annual FSA Expenses:	_____

Use the **Dependent Care Spending Account Worksheet** to estimate your dependent care expenses.

Eligible Expenses:	Estimated Expenses
Babysitter	_____
Daycare Center	_____
Nursery School	_____
After School Care	_____
Home Health Care Worker	_____
Care for Eligible Adult	_____
Summer Camp	_____
Total (weekly expenses):	_____
Number of Weeks Care is Needed (Multiply number of weeks by total weekly expenses on above line to compute total annual dependent care expense)	X _____
Total Annual Dependent Care Expenses:	_____

*Effective January 1, 2011, as part of the Healthcare Reform changes, Over-the-Counter (OTC) medicine and drugs will require a prescription in order to be considered an eligible expense for the FSA.



FSA Election Form

Contact Us Today!
www.myflexinfo.com

Date: _____
Fax- # of Pages: _____

Please follow the steps below to thoroughly and accurately complete this form.

Step 1: Personal Information

Company Name: _____
Effective Date of Election: _____ Date of Hire: _____
Employee Name: _____ SSN: _____ Date of Birth: _____
Address: _____ City: _____ State: _____ Zip Code: _____
Phone Number: _____ Fax Number: _____ Email Address: _____

Step 2: Enter Deductions Per Pay Period

Employee Health Insurance Premium Account	Pre-Tax Amount Per Pay Period	Pay Period Frequency (W, B, S or M*)	First Payroll Date Affected
• Health	\$ _____	_____	_____
• Dental	\$ _____	_____	_____
• Vision	\$ _____	_____	_____
• Other	\$ _____	_____	_____
Flexible Spending Account (FSA)** \$ _____ Annual election	\$ _____	_____	_____
Limited Scope Flexible Spending Account** \$ _____ Annual election	\$ _____	_____	_____
Dependent Care Spending Account \$ _____ Annual election	\$ _____	_____	_____

Remember, when your needs change, Flex125 does too! You can change your premium elections any time you have a qualifying event that would change the status and/or premium amount of your employee insurance (i.e. marriage, divorce, birth or death of a child, death of a spouse, adoption or change of employment by spouse).

*Pay Period Frequency: W = Weekly; B = Biweekly; S = Semi-monthly; M = Monthly

**If you have a HSA account, you are only eligible to participate in a limited scope FSA if offered by your employer

Step 3: Acknowledgement and Signature

I acknowledge that I am authorizing the company to deduct equal amounts from my paychecks to collect the designated pre-tax column above. I recognize that these selections constitute a deliberate binding decision on my part that may not be changed until the enrollment period for the next plan year or if I experience a change in status

Employee Signature: _____ Date: _____

OR

I elect **NOT** to participate in any portion of the Flex125 plan. (i.e. Premium, FSA, Dependent Care, Limited Scope).

Employee Signature: _____ Date: _____



myFlexInfo.com & FSA Enrollment Video

myFlexInfo.com is a password-protected online resource for all your Flex account needs.



Information and status can be viewed at the plan administrator level, and individually at the employee level 24 hours a day. Whether your employer has established a FlexHRA® Health Reimbursement

Arrangement, Flex125 Flexible Spending Account (FSA), FlexMRP™ Medical Reimbursement Plan or FlexTRANSIT® Reimbursement Account, myFlexInfo.com serves as a channel of communication through which everyone can be kept informed without the necessity of making phone calls.

Through myFlexInfo.com, for example, employees can learn how their benefit plans work, check account history and current balances, download forms and much more.

How to Register on myFlexInfo.com:

Step 1: Logon to www.myflexinfo.com and click the “Employee Login” button.

Step 2: Click the register link.

Step 3: You will need to provide certain details, including your Access Code. Please contact your employer for this information.

Step 4: You will create a user name and password along with a security question/answer should you happen to forget your password. Then click “Next”

Step 5: Your registration is now complete and you can click “confirm” to login to your account.

Contact Us Today!

www.myflexinfo.com

Find out more about your plan using our interactive **FSA Enrollment Video!**



Looking for more information on your FSA?

Our FSA video—available at www.myflexinfo.com—provides a comprehensive overview of the Flex125 product and the tax advantages available to you. It also provides valuable information on how to enroll in the program and where to locate the necessary forms. You will also find interactive tools that help you calculate savings potential and election amounts.

Visit www.myflexinfo.com and click on FSA Video today to learn more!



mySourceCard™ Debit Card

In today's world, life is all about convenience and simplification. The healthcare industry is no exception, especially as employees become more involved in their healthcare spending.



The mySourceCard MasterCard® debit card was designed to accommodate today's consumers as it eliminates the hassle of writing a check or paying with cash at the time of purchase.

The mySourceCard debit card allows participants to pay for their healthcare needs on the spot at qualified locations that accept MasterCard, without the

hassle of a reimbursement check. Participants should check with their hospital, physician and dental office, vision service location, pharmacy, or day care facility to make sure they accept the mySourceCard.

mySourceCard Debit Card Advantages

- Payment comes directly from the participant's account (reduces out-of-pocket expense)
- Reduces the need to submit claim forms and the wait for reimbursement
- Online account access to real-time account information at www.myflexinfo.com

mySourceCard Reminders

- Can only be used with Flex125 (Healthcare FSA)
- Is a debit card, NOT a credit card
- Can be used only at authorized merchants, now including national chain retail stores that include pharmacies (i.e. Target®, Walmart®, Meijer®, Sam's Club®, etc)
- Will cover up to the amount currently available in the participant's account
- Includes 24/7 access to account information at www.myflexinfo.com
- Substantiation will be required on some transactions as required by the IRS.

Contact Us Today!

www.myflexinfo.com

How Does it Work?

Participants would present the mySourceCard debit card as payment for qualified goods and services, which will be paid directly from the participant's reimbursement account. This card works like any other debit card, except for three important differences:

1. It is limited to specific merchants and eligible expenses, which are determined by the benefit account you have selected.
2. It cannot be used at an ATM or for "cash back" when making a purchase.
3. There is no PIN, so although the mySourceCard is a debit card, participants should always choose credit when given the option between debit and credit.





Contact Us Today!
www.myflexinfo.com

mySourceCard™ Debit Card Enrollment Agreement

Welcome to the mySourceCard program – the MasterCard® debit card that will empower you with a convenient way to pay for your health care without any out-of-pocket expenses. With mySourceCard, you will receive reimbursement for specific medical expenses at qualified locations, such as hospitals, physician and dental offices, pharmacies and more. If you have any questions about the debit card, please contact your us.

Getting started is very simple. Follow these steps and you will be signed up and ready to start using mySourceCard.

1. Fill out the enclosed Employee Enrollment Agreement, keep a copy for your records and give the original to the Plan Administrator.
2. Once you receive your debit card in the mail, you will need to activate your card by calling 888-523-4308 or visiting www.myflexinfo.com.

Once we receive the completed documents from your Plan Administrator, we will upload the information for debit card creation and they will be mailed to your home address. At any time, you may update this information by visiting www.myflexinfo.com.

mySourceCard Employee Enrollment Agreement

As a participant in one or more of your Employer Plans, you will receive a mySourceCard MasterCard Debit Card issued by Benefit Bank, and agree to use it according to this Agreement and the Cardholder Agreement that will be provided to you with the Card.

You understand that the Card is restricted to certain merchant categories and is not accepted at all MasterCard acceptance locations. You understand that you may not obtain a cash advance with the Card at any merchant, bank or ATM. You understand that the Card is to be used exclusively for Qualified Expenses as defined by the plan(s) in which you participate. If the Card is issued pursuant to Employer Plans and you use the Card for an expense that is not a Qualified Expense, you are indebted

to your employer and must repay the full amount of the non-qualified expense.

You agree to save all invoices and receipts related to any expense paid with the Card; upon request you must submit these documents for review by the Plan Service Provider. Failure to submit the receipt(s) will cause the expense to be treated as a non-qualified expense and you will be required to remit payment to your employer. Payment may be in the form of an offsetting claim, a personal check, electronic draft from your personal checking or savings account, a post-tax deduction from your paycheck, or other options established by your employer.

For proper Cardholder Identification, please complete the following information. Your Card will not be issued until this form is received by your Plan Service Provider.

Please print information.

Company Name: _____

Health Insurance Coverage Type: PPO HMO Other- Health Plan Name: _____

Name on Card: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Phone Number: _____ SSN: _____ Date of Birth: _____

Email Address: _____

Name on Second Card: _____

Mother's Maiden Name (Security purposes only): _____

Employee Signature: _____ Date: _____

COMPLETION OF ALL FIELDS IS REQUIRED

For Official Use Only

Flex Admin Initials: _____ Received Date: _____ Sent Date: _____