


Non-Discrimination Testing (NDT)

From Flexible Benefit Service Corporation (Flex)



A simple way to fulfill an
IRS requirement!

Keep your Cafeteria Plan, FSA or POP compliant with annual testing.

Whether an employer has a full Cafeteria Plan, Flexible Spending Account (FSA) or a Premium Only Plan (POP), the Internal Revenue Service (IRS) requires Non-Discrimination Testing (NDT) annually. We offer a comprehensive compliance testing curriculum for each type of plan. Only use what you need, with Flex you have the option to do all or just a portion of the tests.

Testing Types:

✓ Cafeteria Plan

- **25% Key Employee Concentration Test** – Ensures of all the pre-tax dollars being spent through the Cafeteria Plan, no more than 25% is being spent by Key Employees
- **Eligibility Test** – Ensures enough non-highly compensated employees are eligible to participate in the Cafeteria Plan

✓ Health Care FSA

- **Eligibility Test** – Ensures that enough non-highly compensated employees are benefiting from the plan

✓ Dependent Care FSA

- **Eligibility Test** – Ensure enough non-highly compensated employees are eligible to participate in the Dependent Care plan
- **55% Average Benefits Test** – Ensures that, on average, highly compensated employee elections are in proportion to non-highly compensated employee elections
- **5% Owners Test** – Ensures that any participants who own more than 5% of the shares of the employer are not disproportionately benefiting from the plan

Educational Focus

All employer clients can earn free credits with **HRCI**® and **SHRM**® through our accredited **FlexUNIVERSITY**® series of webinars. Flex offers education on various topics, including Healthcare Reform, ACA Reporting Requirements, Consumer-Driven Best Practices and more.



Learn More

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