

Powered by:
evolution[®]



Open Enrollment

Flexible Spending Account
with Benefits Debit Card



9/26/2013

SIMPLIFYING THE BUSINESS OF HEALTHCARE

It's your money.
Why not keep more of it?

With a
Flexible Spending
Account (FSA)
...You Can!!



SAVE \$

FLEXIBLE
SPENDING
ACCOUNT

SIGN UP

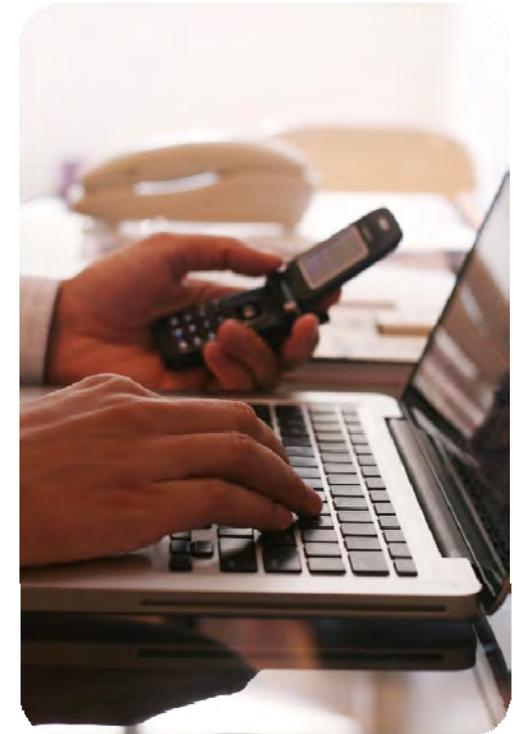
REAL SAVINGS. REAL SIMPLE.

Contact your human resources representative for more information.

Open Enrollment

Keep In Mind...

- You can make changes, including:
 - Elect or drop coverage
 - Change coverage
 - Add or delete dependents
- Only time you can do this unless you have a qualifying life event – e.g., marriage/divorce, birth/adoption, loss of coverage, etc.



Flexible Spending Account (FSA)

A healthcare flexible spending account (FSA) can help you pay for eligible healthcare expenses that aren't covered by your health plan. And using an FSA is like getting a discount because you pay for those expenses with money that has not been taxed. It's a great way to keep more of the money you've earned.

An FSA:

- **Covers what your health insurance doesn't** - like deductibles, co-pays, and other eligible expenses
- **Saves you money on the health care you need** - like dental, vision, prescriptions and more
- **Makes reimbursement for medical expenses easy** - the full amount you set aside is available on your first day of coverage, plus the Prepaid Benefits Card reduces paper claims

Oh, and did we mention that ...

- **IT SAVES YOU MONEY** - setting aside a portion of your pay helps you fund out-of-pocket expenses and reduces your annual taxable income, putting more money *in* your pocket

THAT'S REAL SAVINGS. REAL SIMPLE.



What is an FSA?

With an FSA, you elect to have your annual contribution (*individual contribution maximum to an FSA is \$2,500; limit set by the IRS*) deducted from your paycheck each pay period, in equal installments throughout the year, until you reach the yearly maximum you have specified. The amount of your pay that goes into an FSA will not count as taxable income, so you will have immediate tax savings. FSA dollars can be used during the plan year to pay for qualified expenses and services.

- **A Healthcare FSA** allows reimbursement of qualifying out-of-pocket medical expenses.
- **A Limited Purpose Medical FSA** works with a qualified high deductible health plan (HDHP) and Health Savings Account (HSA). A limited FSA only allows reimbursement for preventive care, vision and dental expenses.
- **A Dependent Care FSA** allows reimbursement of dependent care expenses, such as daycare) incurred by eligible dependents.

Healthcare Account FSA



Healthcare FSA

- A **Healthcare FSA** could save you money if you or your dependents:
 - Have out-of-pocket expenses like co-pays, coinsurance, or deductibles for health, prescription, dental or vision plans
 - Have a health condition that requires the purchase of prescription medications on an ongoing basis
 - Wear glasses or contact lenses or are planning LASIK surgery
 - Need orthodontia care, such as braces, or have dental expenses not covered by your insurance

What Expenses Can Be Reimbursed Through a Healthcare FSA?

- Deductibles
 - Office Visit Copays
 - Prescription Drug Copays
 - Orthodontia
 - Vision care, eyeglasses, and contact lenses
 - Laser eye surgery
 - Over-the-counter medications
 - Other unreimbursed health and dental expenses
- 

How Much Can You Save?

The average family of **four** in the U.S. can expect to pay around \$3,500¹ on expenses like office visits, prescription copayments, dental work, new glasses – or an unexpected hospital stay.

Out-of-Pocket Expenses	Annual Average	Taxes Saved (27% Tax Bracket)
Physician	\$1,110	\$299
Inpatient Hospital	\$1,115	\$301
Pharmacy	\$555	\$150
Outpatient Hospital	\$560	\$151
Other	\$130	\$35
Total	\$3,470	\$936²

¹According to the U.S. Internal Revenue Service guidelines, each employee can contribute a maximum of \$2,500 per plan year. For more information, visit www.irs.gov/irb/2012-26_IRB/ar09.html.

²Tax savings is dependent upon your annual income and tax bracket. Example for demonstration purposes only.



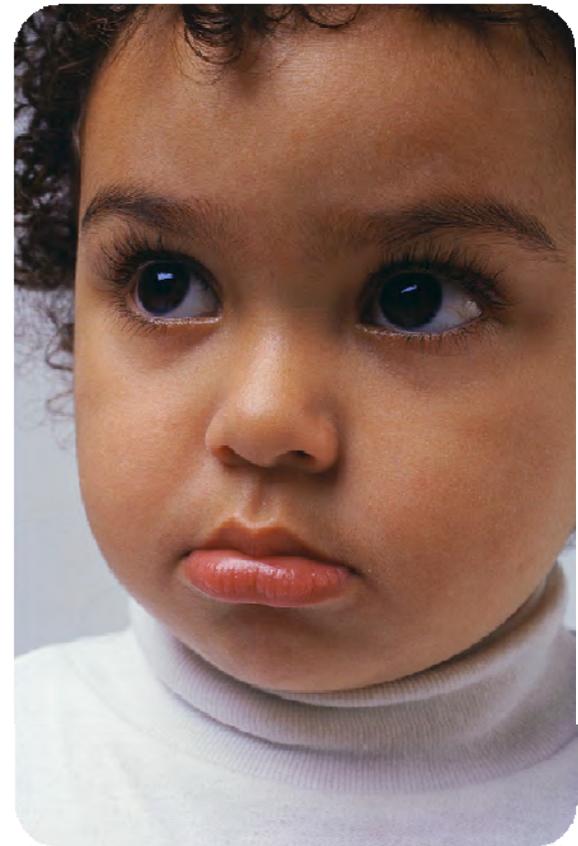
If that **\$3,470** were put into an FSA before taxes, the family could save nearly **\$1,000** in taxes!

Dependent Care FSA



Dependent Care FSA

- A **Dependent Care FSA** provides pre-tax reimbursement of out-of-pocket expenses related to dependent care. This benefit may make sense if you (and your spouse, if married) are working or in school, and:
 - Your dependent children under age 13 attend daycare, after-school care or summer day camp
 - You provide care for a person of any age whom you claim as a dependent on your federal income tax return and who is mentally or physically incapable of caring for himself or herself



Dependent Care FSA

- How much can you contribute?
 - Maximum \$5,000 per year (\$2,500 for a married employee filing separate)



Dependent Care FSAs with Benny Card

- Child Care Services Merchant Category Code (MCC) – is activated
- Participants need to save all receipts
 - Dependent Care FSAs are IRS-regulated benefits and Administrator may require submission of receipts to verify expenses

Dependent Care FSA Reimbursements

- Funds are available as your account is funded by your payroll deductions.
 - The IRS regulations limit reimbursement of a dependent care claim to the amount of money actually in the participant's account via payroll deductions.

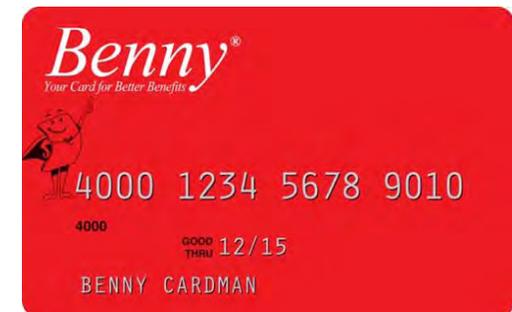


Using the Benny Card



The Card Makes FSAs Easier

- **Easy** – a simple swipe of the Card makes it hassle free!
- **Automatic** – funds are immediately deducted from your FSA at the time you incur the expense.
- **Convenient** – there are no manual claim forms to submit.
- **Simple to track** – your current balance is available 24/7 at the web site listed on the back of your Card.



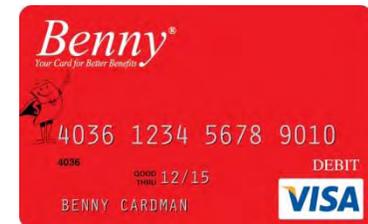
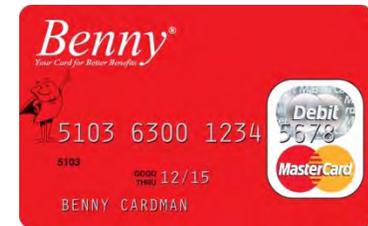
How to Use Your Benny Prepaid Benefits Card

- **Swipe & Go:**
Swipe your *Benny[®] Prepaid Benefits Card* for the FSA-eligible items.
- **Funds come directly from your FSA:**
Participating merchant systems will allow the cost of the FSA-eligible items to be deducted from your FSA balance
- **Eliminate Paper:**
No receipts will be needed to verify Card purchases from participating stores



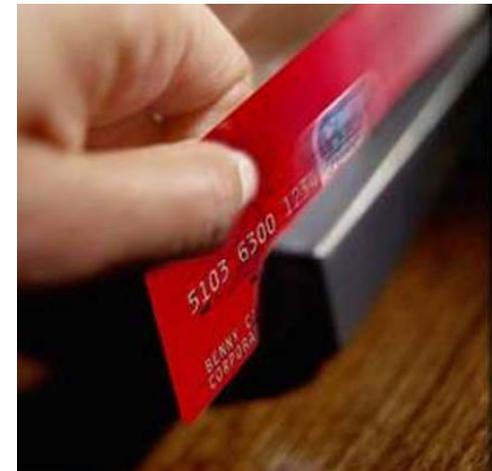
How the Benny Card Works

- Cardholder uses Benny Card to pay for eligible items at IIAS merchant that accepts MasterCard® registered or Visa® (over 50,000 locations nationwide)
 - Eligible expenses are deducted from the account balance at the point of sale
 - Transactions are fully substantiated- no paper follow-up needed (**at participating stores*)
- Card may also be used in response to “balance due” notice from a hospital, doctor, dentist, or vision provider (*balance must be from the current plan year*)
- Benny Card uses its auto-substantiation technology to electronically verify the transaction’s eligibility according to IRS rules



How the Benny Card Works

- If transaction is auto substantiated (85-95% of the time), no further action is necessary. Otherwise, the cardholder will receive a letter or email requesting a receipt to verify the expense
- Participant account information and transaction history is available 24/7 online
- A single card can hold multiple “stacked” accounts



You can use the Card to pay for Eligible Out-of-pocket Healthcare Expenses such as:

- Prescription and health plan copayments, deductibles and coinsurance
- Orthodontics
- Mail-order or online prescription invoices
- Vision services and eyeglasses
- LASIK surgery
- Medical supplies, such as bandages
- Eligible over-the-counter (OTC) items*

***Over-the-counter medicines require a prescription**

Auto Substantiation

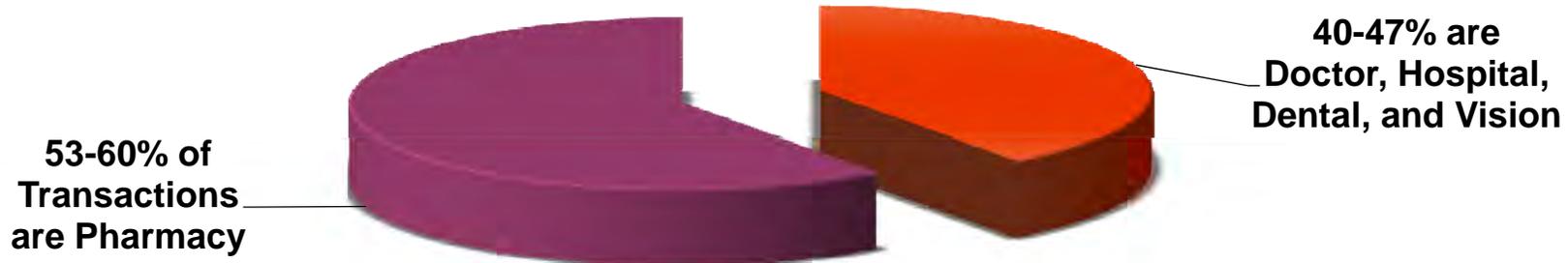
Auto substantiation (n.)

The use of electronic means to verify the benefit eligibility of card transactions

Why is auto substantiation important?

- Required by IRS for FSA and HRA
- A high A-S rate is single biggest success factor for any program using cards for FSA and/or HRA
- Benny Card delivers an **85%-95%** overall A-S rate

How We Auto Substantiate



A-S methods for pharmacy transactions

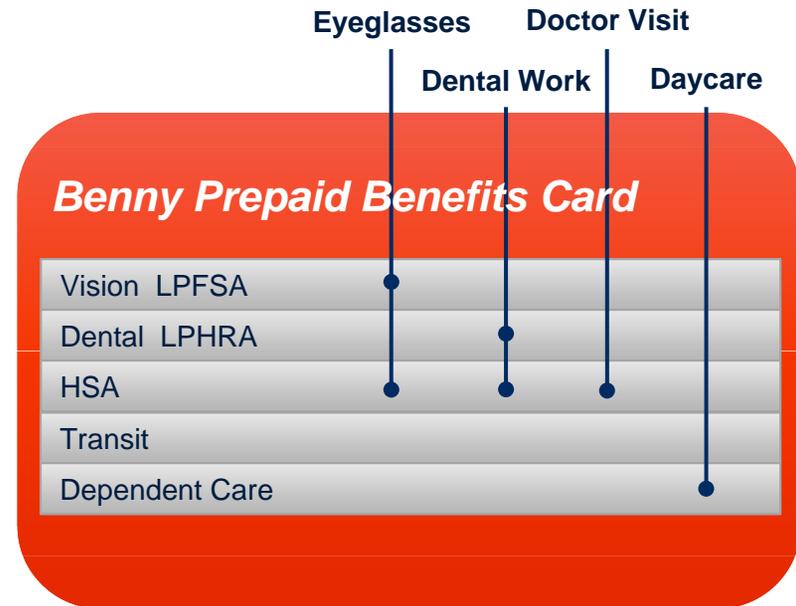
- In IIAS participating merchants
 - Inventory Information Approval Systems
- In 90% certified merchants
 - Copayment Matching
 - Recurring Expense Logic
- For HRA pharmacy restrictions that cannot be handled by IIAS alone
 - Patented Real-Time Data Matching at Point of Service

A-S methods for doctor, hospital, dentist, and vision transactions

- Copayment Matching
- Recurring Expense Logic
- Receive and processes all data files

Plan Stacking

- Multi-purse, fully stackable card offering for all benefit plan types
- Consumers do not need to direct payment to specific plans – it is done automatically at the point of sale based on merchant type and splitting rules
- Configurable for each employer
- Specialized multiple account card capabilities
 - Customized rules at the account level
 - Substantiation only where required (FSA)
 - For HSAs, allows limited-use FSA (dental, vision) below HDHP deductible, then allows expansion after deductible is met



Substantiation: Manual Process Overview

- IRS requires that 100% of card transactions be substantiated
- A small percentage may not be auto substantiated using Benny Card methods
- To achieve 100% IRS compliance:
 - EBS sends cardholder a letter/email requesting documentation
 - Cardholder sends receipt, which EBS reviews and manually substantiates (if appropriate)
 - If transaction is ineligible or if documentation is not sent after second request, EBS may suspend the card and request refund of overpayment from cardholder.
 - Card may be reinstated when receipts are received or overpayment is returned to account.



Mobile



FSA Account Access on the Go

Easy, Convenient & Secure

- Simply login to the app using your same health benefits website username and password (or follow alternative instructions if provided to you)
- No sensitive account information is ever stored on your mobile device; secure encryption is used to protect all transmissions

Connects You with the Details

- Check available balances 24/7
- View account details
- Click to call or email Customer Service

Provides Additional Timing-Saving Options View claims requiring receipts

- Submit medical FSA claims
- Take a picture of a receipt and submit for a new or existing claim
- Using Expense Tracker, enter medical expense information and supporting documentation to store for later use in paying claims via your health benefits website

Mobile

iPhone and Android Mobile Apps

- Available Via:
 - Consumer Portal
 - Apple App Store
 - Google Android Market
- Simple Login
- Access Available Balance and Important Dates
- Convenient Customer Service Contact Information



Mobile

Text Message Alerts

- Balance and Transaction Inquiry
- Configurable Alerts

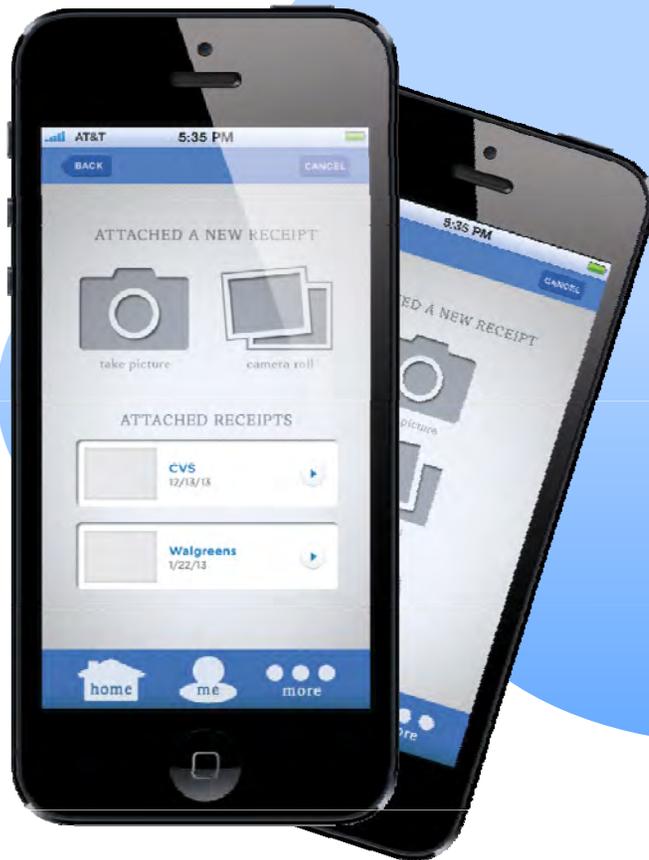
iPhone and Android Mobile Apps

- Access Account Details
- File Claims with Camera-Based Receipt Imaging

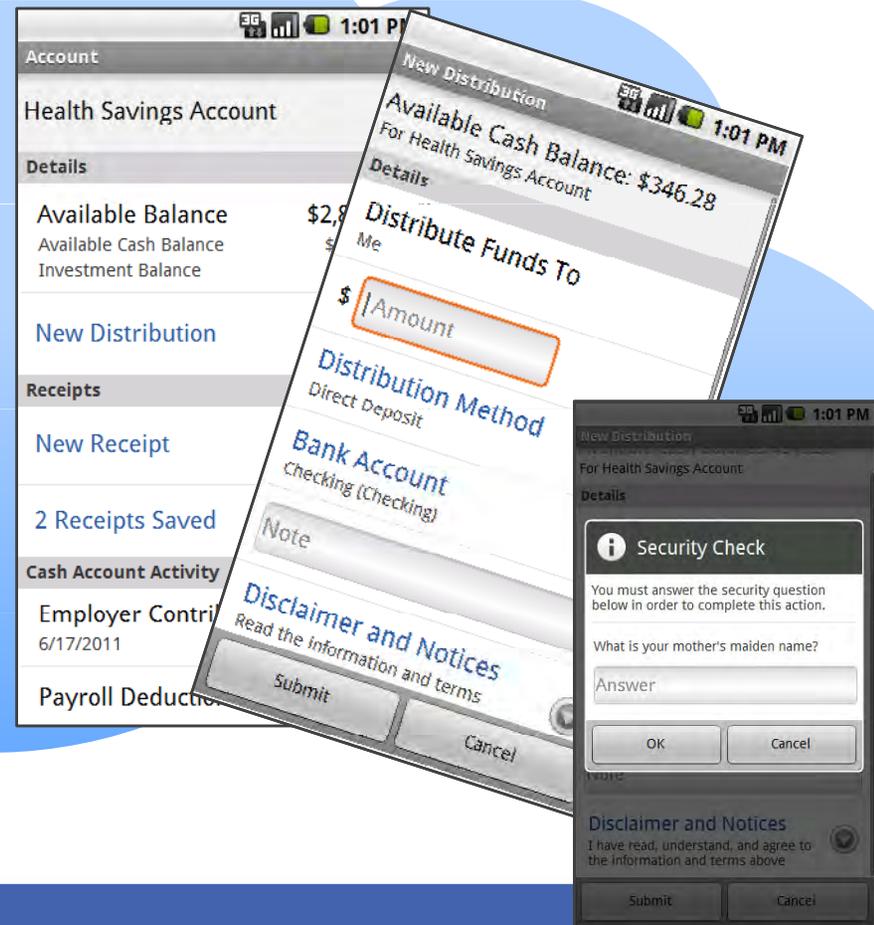


Mobile

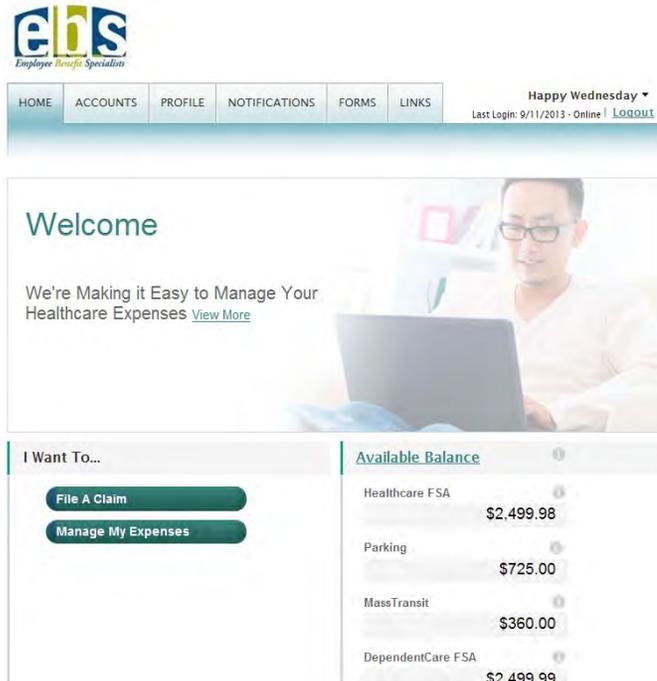
Upload Receipts
using Mobile Device Camera



Request HSA Distribution with
Security Features



Information You Need, When You Need It



Consumer Portal

Robust, branded portal empowers users - providing everything you need to know about your account, with an industry-leading design that enables quick and easy navigation of content.



In Summary...



Real Savings. Real Simple.

An FSA:

- **Covers what your health insurance doesn't** - like deductibles, co-pays, and other eligible expenses
- **Saves you money on the health care you need** - like dental, vision, prescriptions and more
- **Makes reimbursement for medical expenses easy** - the full amount you set aside is available on your first day of coverage, plus the Prepaid Benefits Card reduces paper claims

Oh, and did we mention that ...

- **IT SAVES YOU MONEY** - setting aside a portion of your pay helps you fund out-of-pocket expenses and reduces your annual taxable income, putting more money *in* your pocket

THAT'S REAL SAVINGS. REAL SIMPLE.

Plan Ahead

- Before you enroll, you must first decide how much you want to contribute to your account(s).
- You will want to spend some time estimating your anticipated eligible medical and dependent care expenses for the 2014 calendar year, as Federal tax regulations require that any unused amount at the end of the calendar year be forfeited.



Action Items:

- Plan ahead for next year.
- Sign up today.
- Save your receipts.

**Open Enrollment Period is
starting Now!**



Q&A



thank you

