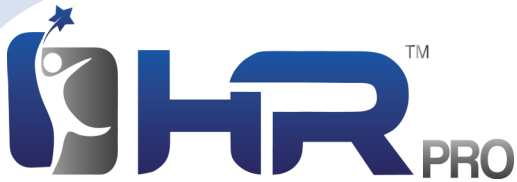


*People: Your Greatest Asset,  
Your Greatest Challenge*



# An Employees Guide to FSA

**Includes Dependent Care Account  
and Debit Card Information**



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Your Greatest Challenge*

# Flexible Spending Account (FSA)

## What is a Flexible Spending Account? (FSA)



A flexible Spending Account is an employer-sponsored benefit that allows you to pay for certain out-of-pocket medical expenses (such as doctor office co-pays and prescription copays) with your pre-tax income. Because this benefit uses pre-tax dollars, a Flexible Spending Account is a great way for you to save money on your healthcare costs, as well as increase your take home pay! Other pre-tax spending accounts your employer may offer include Dependent Care and/or Transit Spending Accounts which can be used to pay for childcare services and/or commuter services.

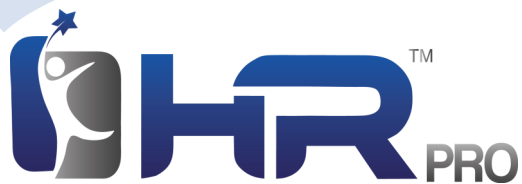
## Increase Your Take Home Pay With An FSA!

	Without a Flex Plan	With a Flex Plan
Income	\$40,000	\$40,000
Contribution	\$0	\$2,000
Tax Deduction (35% est.)	\$14,000	\$13,300
After Tax Income	\$26,000	\$26,700
Increase in take home pay	\$0	\$700



## Where Can I Use My Flex Dollars?

You can use your Flex dollars at eligible FSA locations such as the doctor's and dentist's offices, pharmacies, and vision service locations for expenses that are considered FSA eligible (please see the Eligible Expense List). If your employer also offers a Dependent Care and/or Transit Account, you may use pre-tax dollars at dependent care facilities.



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# Dependent Care Account (DCA)

## What is a Dependent Care Account? (DCA)

Much like the Health FSA, the Dependent Care Flexible Spending Account under IRC Section 125 allows you to avoid both FICA and Federal Income Tax on qualifying child and dependent care expenses. In order to participate in this plan, you, the employee, and your spouse (if you are married) must meet the following criteria:

- The care for which you are paying must be for one or more qualifying dependents.
- Your dependent care expenses must be incurred so that you can work or look for work.



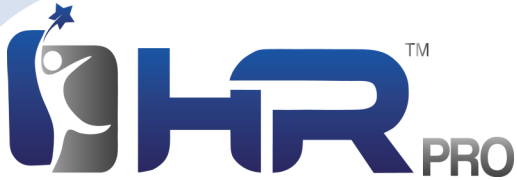
## How Much Can I Contribute?

Pre-tax reimbursements of qualified dependent care expenses cannot exceed \$5,000 (\$2,500 if married and filing separate income tax returns). If you and your spouse participate in separate dependent care spending accounts, the maximum you may contribute to both plans is a **combined** \$5,000.

## Who Qualifies as a Dependent?

- Your dependent under age 13 whom you can claim as a dependent for income tax purposes.
- Your spouse who is physically or mentally unable to care for himself/herself.
- Your dependent who is physically or mentally unable to care for himself/herself, and for whom you can claim as an exemption for income tax purposes
- Your child even if you cannot claim him/her as an exemption on your income tax, if you are divorced or separated and you are the custodial parent.





# FSA Eligible Expenses

## Sample Health Care Expenses ELIGIBLE for Reimbursement Under the Flexible Spending Account - Medical Reimbursement Account

Acupuncture Services	Mileage to Doctor's office (\$.15/mile)	Sterilization Fees
Alcoholism & Drug Abuse Treatment	Neuropathy Treatment if Prescribed by M.D.	Surgical Fees
Ambulance Hire	Nurses Fees (including Nurse's Board and Social Security Tax)	Telephone, Special for Deaf
Artificial Limbs	Obstetrical Expenses	Television Audio Display Equipment for the Deaf
Birth Control Pills & Devices	Operations	Therapeutic Care for Drug & Alcohol Addiction/ Therapy Treatments
Braces	Organ Transplants	Transportation Expenses primarily in the Rendering of Medical Services (Limits apply)
Braille-Books & Magazines	Orthopedic Shoes	Tuition at Special School for Handicapped Tuition Fee (Part), If College or Private School furnishes breakdown of Medical Services
Breast Reconstructive Surgery Following a Mastectomy	Over the Counter Medications PRESCRIPTION REQUIRED	Vaccinations
Car Controls for the Handicapped	Oxygen and Oxygen Equipment	Vasectomy
Care for the Handicapped Child	Physician Fees	Vitamins by Prescription
Childbirth Classes for mother only	Practical Nurse Fee	Weight loss programs (prescribed by a doctor for treatment of a specific illness)
Chiropractors	Psychiatric Care	Wheelchair
Christian Science Practitioners Fees	Psychologist Fees	Wig (prescribed by a doctor for a person who has lost hair as a result of a disease)
Co-insurance Amounts You Pay	Radial Keratotomy	X-Ray
Contact Lenses for Medical Reasons	Routine physical and other Non-Diagnostic Services/Treatment	
Cost of Operations and Related Treatment	Smoking Cessation Programs	
Crutches	Specialty diets/foods to alleviate an illness or condition	
Day Care Expenses for Eligible Dependents as Necessary for Employment (DCA Account)	Special Education for the Handicapped	
Deductibles for Medical Expenses	Special Home Costs for Mentally Challenged	
Dental Fees		
Dentures		
Diagnostic Fees		
Drug and Medical Supplies		
Eyeglasses, including Exam Fee		
Handicapped Persons' Special Schools		
Health Club Dues (To treat a specific illness)		
Healing Services' Fees		
Hearing Devices and Batteries		
Home Improvements for Medical Considerations		
Hypnosis for Treatment of an Illness		
Insulin		
Laboratory Fees		
Laetrile by Prescription		
Lasik Eye Surgery		
Lead-base Paint Remover (For children with lead poisoning)		
Leader Dog and its Upkeep		
Life Fee to Retirement Homes for Medical Expenses		
Medical Information Plan		
Membership Fees in Association with furnishing Medical Services, Hospitalization and Clinical Care		

### Sample Medical Expenses INELIGIBLE for Reimbursement Under the Flexible Spending Account

Babysitting	Over the Counter Pregnancy Test
Cost of Operating a Specially designed Equipped Car	Over the Counter Medications not listed under eligible expenses
Cosmetic Surgery (Elective)	Over the Counter Medical (Supplies & Pharmaceutical, including vitamins and drugs available without a prescription)
Dancing Lessons	Personal Use Items
Diaper Service unless to relieve the effects of a particular disease	Retin-A
Funeral Expenses	Rogaine
Household Help, even if recommended by Doctor	Swimming Lessons
Illegal Operations or Treatment	Swimming Pools, Saunas
Marriage Counseling	Teeth Whitening
Maternity Clothes	Trips
Medical Insurance Premiums	

*\*The Internal Revenue Service has indicated that a "Medical Necessity" test is being applied to determine the eligibility for reimbursement.*

*This list is intended to be representative of the types of expenses which may or may not be reimbursed. It is not intended to be complete as other expenses may NOT be reimbursed under Federal tax law.*



# Your 2016 FSA Debit Card

## Your Flexible Spending Account Debit — How it Works

Paying for health care expenses is *easy* with your FSA debit card



- *Saves time. Leave your money at home – just take your debit card*
- *Reduces claim filing*
- *It's very convenient!*
- *(But you need to follow a few rules)*

If you enroll in a Health Care or Dependent Care Reimbursement Account, you will receive a debit card. The debit card gives you immediate access to the money in your Reimbursement Account (also called a Flexible Spending Account or “FSA”).

You can use the debit card to pay for eligible products and services at the point of sale without waiting for reimbursement. You can use the card at any eligible location where VISA is accepted, including hospitals, physician offices, dental offices, vision providers, and pharmacies (retail *and* online).

When you use your debit card, the money is automatically deducted from your FSA. It's fast, easy and convenient.

### What Kind of Expenses Can I Use the Debit Card for?

Use your debit card to pay for prescription drug and Office Visit copays. You can also use your card for other FSA-qualified health expenses, like deductibles, coinsurance amounts, and vision and dental expenses.

### What if My Doctor Doesn't Take VISA?

Then file a claim with HRPro, our FSA claim Administrator, for reimbursement.

### What if I Get a Bill at My Home for a Qualified Medical, Dental, or Vision Expense?

You can write your FSA debit card number on the bill, and return it to the provider. The money will be automatically deducted from your FSA.

### Do I Have to Save My Receipts When I Use the Debit Card?

Yes! Your debit card is for FSA-eligible expenses *only*. HRPro reviews all debit card purchases. If you've used the card to pay for a “flat copay”, like a prescription drug or Office Visit copay, you will *not* need to send HRPro documentation or “backup” on your purchase. Take a look at the example (above) with Bill – he used his debit card for a \$10 prescription drug copay. Because that matches our plan's prescription drug copay amount, Bill won't have to send in any additional paperwork or back-up.

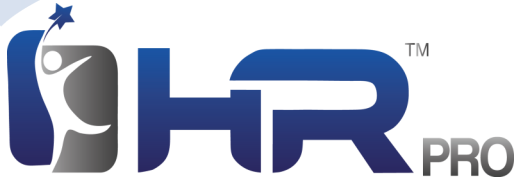
But let's say you use the card to pay for a \$36 dental bill. HRPro will see that the card was used for an odd amount – one that doesn't match our plan's drug or Office Visit copays. They will send you a letter asking you to send them the receipt for \$36 so they can review it and make sure you used the card to pay for an FSA-eligible service.

#### Example:

Bill goes to the pharmacy to pick up a prescription for a generic drug. His copayment is \$10. Bill gives the cashier his FSA debit card. After the cashier swipes the card, Bill selects “Credit” (*not debit*) when prompted. Bill signs the receipt, and gets his medication.

When he wants to know how much is left in his FSA, Bill goes online to view this FSA balance at [www.hrpro.biz](http://www.hrpro.biz)





# Your 2016 FSA Debit Card

## What If I Don't Send HRPro a Receipt They've Requested?

HRPro will "turn off" your debit card - it won't work. If you turn in the paperwork late, they'll turn your card back on after your claim is approved. But if this happens several times, the card will be turned off *permanently*.

### Example:

Jeannie stops at the drug store on her way home from work to pick up a \$10 generic drug and a gallon of milk.

She asks the cashier to ring the items up separately – she pays her \$10 prescription copay with the debit card, and pays for the milk with cash.

## What happens if I Use My FSA Card for an Ineligible Expense?

The debit card can only be used for *FSA-eligible expenses*. This is required by the IRS. If you use your card for *ineligible* expenses:

1. HRPro will send you a denial letter via email requesting repayment for the ineligible expense.
2. You will need to immediately mail HRPro a check for the ineligible amount so the funds can be put back in the FSA account to be used for eligible expenses.

## Can I Use My Debit Card to Pay for Over-the-Counter Drugs?

Effective 1/1/2011, your FSA Debit Card will not work to purchase OTC drugs. The cost of over-the-counter (OTC) drugs and medicines *are only FSA-eligible*

*expenses with a doctor's prescription*. If you have a doctor's prescription for an OTC drug, such as antacids, allergy medicine, pain relievers and cold medicine, you can buy them on a pre-tax basis using money in your FSA. (Drugs purchased for cosmetic reasons [i.e. Rogaine], weight loss drugs and drugs purchased for general good health [including dietary supplements and vitamins] are NOT eligible.)

You will have to pay out of pocket for the OTC drug and submit it manually for reimbursement.

If you are submitting a cash register receipt that does not identify the name of the drug, you must submit appropriate proof to verify what type of over-the-counter drug was purchased. For example, you could submit the receipt identifying cost and date purchased *along with the medication box top showing the price*.



## What If I Don't Have Enough Money in My FSA to Pay for What I Need?

Then you won't be able to use the card for that purchase. Your debit card is linked directly to your FSA account. If you don't have enough in the account to pay for the total being charged, it will reject. If this happens, just file a claim with HRPro to collect your FSA balance.



## Does this Card Work Like Other VISA Cards?

No, it's different. With your FSA debit card, you pay no interest or annual fees. Also, you can't get cash from an ATM with this card, or get cash back when you swipe the card.

## Why are both the cards in my name only?

These are signature based cards, meaning that merchants are required to match the signature on the back of the card to the signature on the purchase receipt. Therefore, the name on the front of the card has no bearing on the signature validation process at point of sale. If a merchant is not adhering to these guidelines, they are in violation of their VISA agreement.

## Can I use the Debit Card for Dependent Care Expenses?

If your provider accepts VISA, then **yes!**, you can use your debit card for Dependent Care. If your provider is a Church or other religious organization, the claim may have problems processing because of special codes. If this happens, just call HRPro and let them know your provider information - they can fix it so the debit card works with your provider.

With Dependent Care, you will *always* need to submit your receipts for back-up, so please be sure to save them.

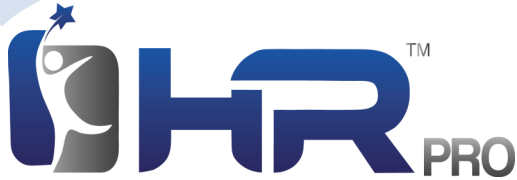


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# FSA Employee Worksheet

## Flexible Spending Accounts Employee Worksheet

<b>Dependent Care Assistance Expenses:</b>	
Daycare expenses for children (under 13), spouse or parent? (IRS \$5,000 plan year maximum)	\$ Total per month (x12)
<b>Your estimated out-of-pocket medical expenses:</b>	
Health Insurance Deductibles	\$
Co-insurance (% not paid by insurance)	\$
Co-Pays (Rx & Office Visits)	\$
Mileage related to medical care	\$
Wheelchair, crutches, medical appliances	\$
Physical Therapy	\$
<b>Estimate your out-of-pocket dental costs per year:</b>	
Examinations and cleanings, X-Rays, etc.	\$
Braces and retainers, fillings, etc.	\$
Orthodontic implants, inlays, other	\$
<b>Estimate your out-of-pocket vision cost per year:</b>	
Examinations, tests, etc.	\$
Lenses, frames	\$
Contact lenses	\$
<b>Total per month (x12) for individual/spouse/family</b>	
	\$



# Letter of Medical Necessity

## Letter of Medical Necessity

HRPro has developed this form to assist you and your health care provider in providing the necessary information that we need in order to process your claim for medical expenses not traditionally covered under your flex plan (i.e. vitamins, over-the-counter drugs, or weight-loss programs). Your provider can also submit a statement on his or her letterhead as long as the letter includes all of the information listed on this form.

You will need to submit this form, or your provider's letter containing the same information, **once per plan year** for the service or product requested. When filling out a claim form or submitting the claim online, please be sure to note that you have a Letter of Medical Necessity on file with us. If the treatment extends beyond the time period listed, you must submit an updated form or physician letter covering the new time period.

Employer:				Date:	
Employee Name:				SSN:	
Patient Name:		CPT Code:		Email:	
Diagnosis/description of medical condition:					
Please describe what the recommended treatment is, how the treatment will alleviate the diagnosis or symptoms:					
Length of treatment:		times per	Week	Month (Please check one)	
Provider Name:				Provider Phone Number:	
Physician's Signature					
Provider license # and State:					

If you have questions you may contact a HRPro FSA representative, toll-free at 1-800-989-8776 or by email at [support@hrpro.biz](mailto:support@hrpro.biz)



# Participant Account Login Instructions



## How to Login:

1. Go to [www.hrpro.biz](http://www.hrpro.biz)
2. Click on "Participant Login"
3. Login using the following:  
Username: First initial (cap), full last name (lowercase) and the last 4 digits of your SSN.  
**Example:** John Smith 123-45-6789 would login as: **Jsmith6789**

If this is your first time logging onto the system, use **Password1** as your password. You will be prompted immediately to create a new, unique password before entering the participant portal.

## Account Information:

**Home Page:** This page will display a snapshot of all active accounts and provide links to the most frequently accessed areas of the site.

**Action Items** will appear in red on the home page to immediately alert you to any outstanding receipts or repayments due.

**Accounts** section will display the balances of all active accounts. You can also click the links to view activity or file claims

**Next Scheduled Reimbursement** section will provide the next scheduled process date for claims and projected payment

**Profile** tab will display your personal and dependent information, as well as the ability to add or modify dependents and bank account information if applicable.

**Notifications** tab displays a history of all correspondence including account statements, receipt reminders, advice of deposits, etc.

**Forms** tab provides links to forms or documents available for download

The forms are in .pdf format requiring Adobe Acrobat Reader. You may download a free version of acrobat reader from the Adobe website: <http://www.adobe.com/products/acrobat/readermain.html>.

*For difficulty logging in, password resets, or any questions, please contact HRPro at (248) 543-2644 or 1-800-989-8776*

Account	Available Balance	Final Service Date	Final Filing Date	Actions
Health Savings Account	\$3,714.18			Request Distribution View Activity Change Election
Dependent Care 1/1/2009 - 12/31/2009	\$100.00	12/31/2009	3/31/2009	File Claim View History

Account	Submitted Claims	Pending	Denied	Method	Projected Payment
Dependent Care 1/1/2009 - 12/31/2009	\$500.00	\$100.00	\$0.00	Check	\$100.00

Total Projected Payment: \$100.00

**Questions?**  
Contact HRPro at: (248) 543-2644 Or toll free at: (800) 989-8776 or [accounts@hrpro.biz](mailto:accounts@hrpro.biz)



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## **HRPro's Mobile Advantage gives you anytime, anywhere convenience so you can make the most of your HRA, HSA or FSA funds.**

### **Upload Your Receipts & File Claims... online & via smartphone**

HRPro make it easy for you to install an app you can use on your smartphone to check your health benefit accounts' available balances and claim filing deadlines. You are also now able to submit claims for reimbursement and send/upload receipts using your mobile device's camera. This function applies to both debit card transaction and manual claims. Once you upload a claim or receipt we will receive notification that documentation has been sent and it will be reviewed for substantiation.



### **HOW IT WORKS**

1. **Download** our app.
2. Log into your account.
3. File your claim for reimbursement. Take a picture of your receipt and attach it to the claim submitted OR
4. if you already used your debit card and want to upload a receipt for substantiation of the debit card transaction that is pending a receipt - simply upload your receipt to the transaction via the phone.

## **Available Now: 1Mobile Version 4.4**

### **Exciting new HSA features:**

If supported or applicable to your account(s), our app version 4.4 provides you with the ability to:

- Distribute funds from your active Health Savings Account (HSA).
- Contribute funds to your active Health Savings Account (HSA).

**At HRPro, we work very hard every day to help you get the most benefit from your HRA, HSA, or FSA accounts.** We hope you'll enjoy the convenience and added assurance that HRPro Mobile provides.

If you have any questions, please contact [accounts@hrpro.biz](mailto:accounts@hrpro.biz) or call 800.989.8776.