

Flexible Spending Account Enrollment Guide

Limited Use Flexible Spending Account

Paying for dental and vision expenses is now easier and less expensive with a Limited Use Flexible Spending Account (FSA) from ConnectYourCare.

What is a Flexible Spending Account (FSA)?

A Flexible Spending Account is a tax-advantaged account that allows you to use pre-tax dollars to pay for out-of-pocket qualified expenses. You choose how much money you want to contribute to an FSA at the beginning of each plan year and can access these funds throughout the year. This contribution is subject to certain legal limits.

What does Limited Use mean?

IRS regulations limit how healthcare accounts can be paired. If you have a Health Savings Account (HSA), an accompanying FSA must be limited to dental and vision expenses only.

Don't miss out on tax savings for your dental and vision! Enroll in an FSA today.

FSA Rules and Regulations

- The IRS requires that all FSA purchases be verified as eligible expenses. Sometimes, purchases are automatically verified when you use your card. Other times, we will request itemized receipts. **Always save your itemized receipts!**
- **Health FSA contributions are limited by the IRS to \$2,500** each year. The limit is per person; a husband and wife may each contribute up to the \$2,500 limit.



- **Tax advantages.** Since FSA contributions are not taxed, you can reduce your taxable income by the amount you contribute to your FSA. You can then use those pre-tax dollars to pay for healthcare expenses that would have otherwise been paid with after-tax dollars.
- **Easy to access.** Funds in the account are easily accessed with the healthcare payment card. Simply use it as you would a debit card. Your account balance is available at any time online or over the phone.
- **Multiple uses.** There are many eligible expenses, including dental cleanings, oral surgery, eye exams, glasses, and contact lenses. FSA funds may even be used for eligible expenses for your spouse or eligible dependents. See the list of Eligible Expenses in this guide for more details.
- **Rapid reimbursements.** Paying for dental and vision expenses is easy when you use your healthcare payment card. If you do not use your card, you can quickly and easily create your claim online. Once you submit your receipts, we will reimburse you via check or direct deposit.

- **You must use all of your FSA funds** by the end of your plan year or remaining funds will be forfeited, according to IRS regulations.
- The IRS also requires that employers make the full annual FSA election available to employees when an eligible expense occurs, regardless of whether you have deposited enough to cover the full amount at that point in time.

For example, you may designate \$1,200 per year, equal to a payroll deduction of \$100 a month. You are eligible for reimbursement up to the full \$1,200 in the first month, even though you have only deposited \$100 in your account.

Using Your Account

We make it easy to access and use your account funds. There are two ways to pay for your dental and vision expenses:

1. **Use Your Healthcare Payment Card:** This is the simplest way! You will receive one card to access both your Health Savings Account (HSA) and FSA funds. At locations that are classified as a dental or vision merchants, like dentist and eye doctors' offices, your card will automatically pull funds from your FSA. After you pay using your card, log on to your online account and submit your itemized receipt as documentation. **Please be aware: The card only deducts funds from your FSA when used at merchants specified as dental or vision in their merchant category code (MCC).**
2. **Pay Out of Pocket and Request Reimbursement:** Pay using your own personal credit card, cash, or check and keep your itemized receipt as documentation. Then, log on to your online account to add a new claim for reimbursement. **Be sure to select a service type within the Dental & Vision category in order to have funds deducted from your FSA.** Print the claim submission form and submit documentation. You can receive reimbursement funds via check or direct deposit.

TIP: Set up direct deposit online to receive quicker reimbursements.

How to Pay at.....

- **The Dentist or Eye Doctor.** When you visit the dentist or eye doctor, be sure to always present your health insurance ID card first to ensure proper processing of your charges. The card is programmed to pull charges at dental and vision merchants from your FSA account.
 - **Copays.** If you are asked to pay a copay, you may pay with your healthcare payment card, or you may pay out of pocket and request reimbursement from your account. Save your itemized receipt to submit as documentation.
 - **Additional Charges.** If you're asked to pay additional charges, do not pay your provider until the claim is processed by your health plan and you receive your Explanation of Benefits (EOB) in the mail. This helps avoid overpayment. Compare your EOB with the provider bill to verify the amount being charged by your provider is the same as the patient balance on the EOB. Then, pay with your healthcare payment card, or pay out of pocket and request reimbursement from your account. You may send in your EOB or itemized provider bill as documentation.

Learn more about FSAs!

www.connectyourcare.com/fsavideo



Flexible Spending Account Enrollment Guide



Using Your Healthcare Payment Card

We provide a convenient healthcare payment card to access account funds. You will receive this card in the mail.

Below are four tips to make using your healthcare payment card simple and easy.

1. Pay for Qualified Expenses with Your Card

Pay for qualified products and services directly at approved merchants (see sidebar). The money comes right out of your healthcare account.

2. Get Your Balance

By frequently checking your account balance online, you will have a good idea of the amount of funds available in your account. When you swipe your healthcare payment card, the system makes sure that your coverage is active and that you have sufficient funds in your account for the full amount. If not, the transaction will be denied. You can swipe the card for the amount left in your account and pay the difference with another form of payment.

3. Know What's Eligible

Familiarize yourself with what expenses are eligible using the list of Eligible Expenses in this guide or your employer's plan documents. Examples of eligible expenses are dental and vision expenses such as office visits, glasses and contacts. Your card will automatically deduct purchases made at dental and vision merchants from your FSA.

If you use the card for ineligible expenses, you may be asked to write a personal check to refund the plan.

4. Save Your Itemized Receipts

Although your healthcare payment card eliminates the need to file paper claims, the IRS requires that your charges be verified. Always save your itemized receipts in case they are required to confirm a purchase or for tax purposes.

Use Your Card At Approved Merchants

Your card has been programmed to work only at merchant locations that are designated as healthcare merchants based on their Merchant Category Code (MCC).

Examples of qualified merchants include dentist and eye doctors' offices. The card should only be used to pay for eligible medical expenses, and you should always save your receipts.

You will not be able to use your healthcare payment card at locations that are not approved healthcare merchants. Visit www.connectyourcare.com/stores for a list of approved merchants

For purchases at those locations, you can pay with other means, then submit a request for reimbursement through your online account.



Flexible Spending Account Enrollment Guide



Using Your Online Account

Our online participant portal puts account information and health education tools at your fingertips.

Online Account Features

- Get Account Balance
- View Payment Card Charges
- Enter a New Claim
- View Claims/Submit Receipts* for Purchases Requiring Substantiation
- View Claim Status
- Access Communication Center Messages
- View Reimbursement Schedule
- Use Consumer Tools
- Find Answers to Frequently Asked Questions

Health Education Tools

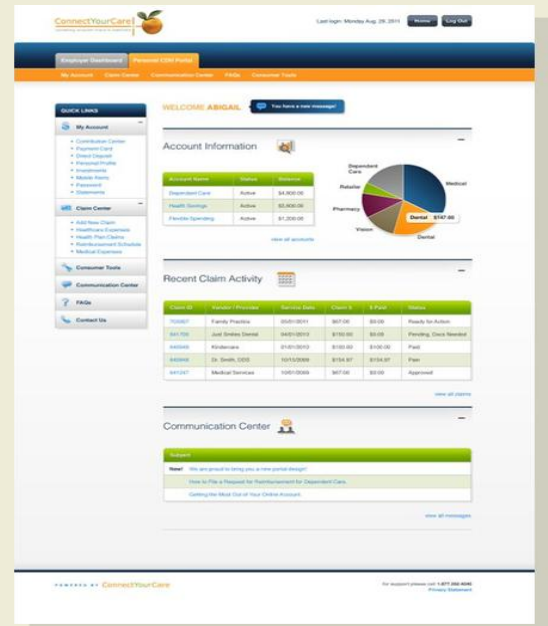
You will have access to valuable WebMD tools, including:

- WebMD Hospital AdvisorSM — Hospital information and rankings for specific procedures
- WebMD Medication AdvisorSM — Information on less expensive prescription options
- WebMD Treatment Cost AdvisorSM — Cost estimates on 350 of the most common medical conditions, tests, and procedures
- WebMD Health TopicsSM — A to Z medical encyclopedia listing of over 1,500 ailments with information, treatment options, prevention, and more
- WebMD HealthQuotientSM — State-of-the-art assessment tool that scores participants' health status, calculates risk levels, and provides recommendations for health improvement and behavior change
- Symptom Checker — Information about what medical symptoms could indicate and helpful facts before a doctor's visit

* Remember to save your itemized receipts; IRS rules require them as verification.

Where to Begin

- Go to www.connectyourcare.com
- Select the log in link from the upper right hand corner.
- Sign in with your user name and password.
- If it is your first time visiting the site, choose New User Registration to select your user name and password.



Flexible Spending Account Enrollment Guide

Mobile Solutions

CYC Mobile Application

ConnectYourCare offers a secure, interactive mobile application for Android, iOS, and Windows devices.

Features include:

- View account balance, account alerts and transaction history
- View all claims, claims requiring action, and claims details
- Submit a new claim
- Online Bill Pay and Click-to-Pay (if applicable)
- Receive important account alerts
- Tap to call Customer Service
- Upload Claim Documentation

Mobile Alerts and Two-Way Texting

Our Mobile Alerts lets you access account information at any time using text messaging! You may also opt into an alert service that lets you know immediately after you use your healthcare payment card if that purchase requires additional documentation. This way, you always know when to save your itemized receipts.

Register by clicking on the Mobile Alerts link in your online account.

- Send text requests:
 - BAL for account balances
 - CONT for last five contributions
 - CLAIM for last five claims
 - HELP for text command instructions
 - STOP to stop mobile alerts
- Update your text settings at any time online.

Mobile Browser

We offer a streamlined version of your online account that allows you to access your most important account information including account balances, transaction history, claim summaries, claim details and FAQs.

Simply log into your account at www.connectyourcare.com on any smart phone. The website's intelligent sensors will detect that you are using a smart phone and will present a version of the site specifically optimized for smart phones.

This is useful for users that wish to access their account information from a smart phone browser, without downloading the mobile app. You may switch to the full site at any time by clicking on the link at the bottom of the screen.



CYC Mobile Upload Claim Documentation

Quick and easy way to submit documentation!

- Take photo with your phone's camera or choose existing image
- Image is submitted in seconds
- No need for faxing or mailing
- Image is saved with claim as a record of submission

Learn more about CYC Mobile!
connectyourcare.com/mobilevideo



Flexible Spending Account Enrollment Guide



Eligible FSA Expenses

There are many eligible expenses for your FSA funds. FSA funds may be even be used for eligible expenses for your spouse or eligible dependents.

- Contact lenses and related materials
- Dental examination
- Dentures
- Eye examination
- Eye glasses and related materials
- Laser eye surgery
- Orthodontia (not for cosmetic reasons)

Ineligible FSA Expenses

These items are never eligible for tax-free purchase with your FSA funds.

- Cosmetic surgery
- Eye wrinkle creams
- Illegal operations and treatments
- Lens cleaners
- Medical expenses
- Teeth whitening
- Toothpaste, toothbrushes and mouth wash
- Tooth whitening products

Flexible Spending Account Calculator

While there's no such thing as free money, an FSA can help your money go a lot further. Use this worksheet to see how much you can save. Since IRS rules require that you forfeit unspent account funds at the end of the plan year, this worksheet can also help you estimate what you really expect to spend.

Step 1: Estimate FSA Expenses

Your Limited Use FSA can cover dental or vision expenses that you would otherwise pay out of pocket. Enter the annual amounts you spend on each expense to see how much you should contribute to your FSA.

Dentist visit copays	
Oral surgery and orthodontia	
Other dental expenses	
Eye doctor visit copays	
Glasses, contact lenses, supplies	
Eye surgery	
Other vision expenses	
Prescriptions	
Annual FSA Election	

Try Our Online Calculator!

www.connectyourcare.com/eecalculators

Step 2: Calculate Tax Savings

Enter your total election amount and multiply it by your tax rate to calculate your tax savings.

Annual Elections (FSA + Dependent Care)	
X Tax Rate (from table below)	
= Annual Tax Savings (Annual Elections X Tax Rate)	

Tax Rate Table	
Annual Household Income	Estimated Tax Rate*
less than \$30,000	25%
\$30,000 - \$39,999	29%
\$40,000 - \$69,999	31%
\$70,000 or greater	33%

**Tax rates are estimated based on a combination of social security, federal and state income taxes using national averages and may not reflect your actual tax rate.*

Frequently Asked Questions

How much may I contribute to my accounts?

The IRS limits Health FSA contributions to \$2,500 per calendar year. This is a per person limit, and will be increased annually by the cost of living adjustment.

How can I find out my account balance and review transactions?

Account Balance and Claims Status information is available 24 hours a day, seven days a week:

- Visit www.connectyourcare.com to log into your online account. If it is your first time visiting the site, choose New User Registration to select your user name and password.
- Call the number on the back of your healthcare payment card for balance information.

How will I be able to access my funds?

You will receive a healthcare payment card to access your FSA funds. You can also pay for eligible expenses with any other form of payment and request reimbursement from your account.

When can I request reimbursement from my FSA?

You have access to the account when your plan becomes effective.

How will I receive my reimbursements?

You are eligible to receive funds by check or direct deposit. For quicker reimbursements, sign up for direct deposit in your online account.

How do I set up direct deposit?

- Log into your account and select Direct Deposit from the Home page under My Account.
- Complete the short, secure form. Be sure to have your bank account and routing numbers on hand.
- Choose Direct Deposit as your preferred method of Claim Reimbursement and click the Confirm button.

What happens if I use my account for a non-eligible expense?

If you file a manual request for reimbursement, the request will be denied. If you used your healthcare payment card and the expense is deemed ineligible, you will be required to reimburse your account for that transaction.

How will I know if I need to submit a receipt?

You can review if your claim requires receipts online by logging into your account and visiting the Claim Center. You need to submit receipts if you see a notice. If a receipt is needed, you will also be notified by email or letter within a week of your payment card swipe.

What if I don't submit my receipts?

You must provide the receipts within the time requested, or the transaction will be deemed ineligible, and you will be required to refund the amount of the transaction. If you fail to submit required receipts within 45 days, your payment card will be deactivated. If you fail to reimburse the account, the amount of the ineligible expenses may be added to your W-2 or withheld from your pay.

Is the healthcare payment card a debit card?

No, your healthcare payment card is a prepaid card. It is provided to give you quick access to the funds in your savings account.

Where can I use my healthcare payment card?

Your healthcare payment card can be used nationwide at qualified merchants. Examples of qualified merchants may include pharmacies, doctors' offices, vision centers, and hospitals. Visit www.connectyourcare.com/stores for a list of approved merchants. Your card should only be used to pay for medical expenses eligible under your plan, and you should always save your receipts.

Can I use the same card to access FSA funds and Health Savings Account (HSA) funds?

Yes. Our healthcare payment card will automatically deduct funds from the appropriate account, depending on your purchase. So, qualified dental and vision expenses will be deducted from your FSA, and qualified medical expenses will be deducted from your HSA.

Do I need to keep my receipts when I use my card?

YES! We may request documentation any time you use your payment card. Therefore, always hold on to your receipts in case further documentation is requested. Receipts must contain the following information:

- date of service
- name and address of service provider/merchant
- description of the service or expense provided
- amount charged

Non-itemized cash register tapes, credit card receipts and cancelled checks alone do not provide proper substantiation.

Can I order a replacement or additional card for my spouse or dependent?

Yes. There is a \$5.00 fee for an additional or replacement card. Simply log on to your online account or contact Customer Service to request an additional card.