



FSA Enrollment Form

For more information, please visit our website or contact Customer Service.
www.benefitsworkshop.com/irc • (888) 537-3539 • info@benefitsworkshop.com



Name _____

Social Security Number _____

Mailing Address _____

City, State, ZIP _____ Is this a new address? YES NO

Daytime Phone Number _____ Email Address _____

Please choose one.

Election during annual Open Enrollment Effective October 1, 2011

Election during the Plan Year Enter the Effective Date _____

Amendment to an existing election Enter the Effective Date _____

Please indicate your selection(s) below.

<p>Health Care FSA</p> <p>Annual Amount \$ _____</p> <p>Number of Paydays _____</p> <p>Contribution each Payday \$ _____</p> <p>The maximum annual amount is \$4,000.</p>	<p>Dependent Care FSA</p> <p>Annual Amount \$ _____</p> <p>Number of Paydays _____</p> <p>Contribution each Payday \$ _____</p> <p>The maximum annual amount is \$5,000.</p>
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Order Debit Cards (optional).

Yes!

I want a BenefitsWorkshop Debit Card issued to me to access my Flexible Spending Account.

The annual fee for the optional debit card is \$18.00. This fee will be deducted from your FSA balance. By checking the box above, you are authorizing BenefitsWorkshop to deduct this fee from your account. The annual fee is pro-rated for employees who are eligible to participate in the plan for partial years. If your card is lost or stolen, the cost of issuing a replacement card is \$5.00.

Please indicate if you want to pay taxes on your election amount. If you do not check the box below, your premiums will be deducted on a tax-free basis.

I want to pay income taxes and any other applicable taxes on my premiums.

By signing this form, I authorize my employer to redirect (reduce) my taxable pay by the indicated amounts. I understand and agree that: **(1)** I have read the plan materials available to me and I understand the operation and rules of the plan. **(2)** I cannot change or cancel my election for the remainder of the plan year unless I have a qualifying event. **(3)** I cannot transfer money between the reimbursement accounts. **(4)** Unspent funds will be forfeited after the grace period ends. **(5)** The elections I have made are in accordance with the plan documents and the provisions of Internal Revenue Service Code Section 125, and will be taken out in equal installments throughout the year. **(6)** I will only use the Debit Card to pay for eligible medical expenses for myself or my covered dependents. **(7)** I will not use the debit card for any medical expense that has already been reimbursed, and I will not seek reimbursement under any other health plan for expenses paid for with the debit card. **(8)** I will acquire and retain sufficient documentation for any expense paid with the debit card.

Participant Signature _____

Date _____



Dependent Care Flexible Spending Account

For many working parents, childcare expenses can be a large part of the family budget. A Dependent Care Flexible Spending Account allows you to set aside a portion of your paycheck tax-free for work-related day care expenses. You can spend less money on taxes and more money on what really matters...your family.

Direct Deposit for your Reimbursements

When you pay for your eligible expenses out of pocket and submit a claim to be reimbursed, we can save you a trip to the bank. You can choose to have your reimbursements deposited directly to your bank account instead of receiving a check in the mail. You can submit a *Direct Deposit Authorization* form when you enroll, or at any time during the plan year.

Submit just one claim a year.

Don't let a fear of paperwork stop you from saving money. You can submit **all** the dependent care expenses you expect to pay at the beginning of the year. We will then automatically issue you a check, or make a direct deposit to your bank account, every time you make a contribution.

Tax Benefits Explained.

Without an FSA you pay dependent care expenses with your after-tax income. This means that as you earn your wages, they are taxed and you can only spend what is left. When you enroll in an FSA, you do not pay taxes on the amount of your election so the amount of taxes you are paying is reduced. Please consult your tax advisor for how you can use both the Child Care Tax Credit and a Dependent Care FSA to your advantage.

Who is eligible to participate?

You must be eligible to participate in your employer's medical insurance plan to participate in either FSA plan. To be covered, dependents must be age 12 or younger. You may also claim expenses incurred for people older than the age of 12 if they are mentally or physically unable to care for themselves. This may include adults who require care so you may work, like your parents if they are your dependents for tax purposes.

How do I enroll?

Estimate the day care expenses you expect to incur in the next year, complete an *Enrollment Form*, and submit the form to Human Resources.

How do I make contributions to my FSA?

Your contributions are the amount of your election divided by the number of pay periods in a year. This amount will be automatically deducted from each paycheck before taxes are calculated.

What expenses are eligible?

Eligible expenses are daycare services provided by a licensed daycare center, or by an individual in your home or the provider's home. Day camps and after-school care are also eligible if the services are used in lieu of regular day care. All dependent care expenses must be necessary for you and/or your spouse to work and must be incurred during the plan year (10-1-11 to 9-30-12) to be eligible.

Ineligible expenses include education expenses, like tutoring or tuition for children in kindergarten or older. Meals and snacks provided by a day care provider are also not covered.

How do I calculate my election?

Deciding how much to contribute to your Dependent Care FSA is usually easy because expenses are predictable. Just calculate how much you spend on a per-payday basis for eligible expenses. The IRS sets the maximum contribution at \$5,000 per family, or \$2,500 if you are married and file separate tax returns.

How do I access my FSA?

Simply pay for your expenses and file a claim for reimbursement. Claims can be filed once at the beginning of the plan year, each time you have an expense or on any other schedule you like. Documentation showing you incurred an eligible expense, or the provider's signature, is required for each claim.

How much can I be reimbursed?

Unlike a Health Care FSA, a Dependent Care FSA will only reimburse you up to the amount of your actual contributions at any given time. If you submit a claim for more than your balance, we will reimburse you up to the amount of your contributions. The rest of your claim will be automatically reimbursed to you as you make additional contributions.

What happens to money left in my account at the end of the plan year?

Expenses paid out of pocket during the plan year must be filed for reimbursement by January 31, 2013. After that date, any remaining funds are forfeited.

Can I change my enrollment later?

You can change your Dependent Care FSA election any time you have a change in expenses. This means if your expenses increase or decrease you can make a corresponding change to your contribution at any time by contacting *Human Resources*.

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The content of this newsletter is believed to be correct; if there is a discrepancy between the newsletter and the plan documents covering these benefits, the plan documents will govern the operation of the plan.



Health Care Flexible Spending Account

Although your medical insurance pays the majority of your medical expenses, some expenses are still paid out of your pocket. Expenses like deductibles, copayments, dental visits, and vision care that may not be covered by your medical insurance are ultimately your responsibility. A Health Care Flexible Spending Account (FSA) allows you to pay your share of these costs with tax-free money.

Easier than Ever!

When you enroll in a Flexible Spending Account, you have multiple ways to access the funds in your account. You can choose to use the optional BenefitsWorkshop Debit Card, which allows you instant access to your funds, choose to pay for your eligible expenses out-of-pocket and be reimbursed by check or direct deposit to your bank account, or any combination of these methods. For more information, please refer to the applicable section below.

Tax Benefits Explained

Without an FSA, you pay your out of pocket medical, dental and vision expenses with your after-tax income. This means that as you earn your wages, they are taxed and you can only spend what is left. When you enroll in an FSA, you do not pay taxes on the amount of your election, so the amount of taxes you are paying is reduced. Below is an example* of the potential tax savings for a typical middle-income employee.

<u>Without a Flexible Spending Account</u>		<u>With a Flexible Spending Account</u>	
Yearly Wages	\$40,000.00	Yearly Wages	\$40,000.00
FSA Election	\$ 0.00	FSA Election	\$ 5,000.00
Taxable Income	\$40,000.00	Taxable Income	\$35,000.00
Payroll Taxes	\$ 9,624.00	Payroll Taxes	\$ 7,991.50

By planning ahead, this employee would save \$1,732.50 in taxes this year!

*This example is calculated at 25% federal income tax and 7.65% in FICA taxes, and filing as a single individual.

Who is eligible to participate?

You must be eligible to participate in your employer's medical insurance plan to participate in the FSA plan, even if you obtain your medical insurance from another source. Expenses incurred for qualified dependents are also covered.

How do I enroll?

Estimate the expenses you expect to incur in the next year, complete an *Enrollment Form*, and submit the form to your Human Resources Department.

What expenses are eligible?

Eligible expenses must be necessary for the diagnosis, treatment, cure, mitigation or prevention of a specific medical condition. Expenses must also be incurred during the plan year, or the plan year's grace period, to be considered eligible.

Eligible expenses: chiropractic care, coinsurance, contact lenses, copayments, deductibles, dental care, eyeglasses, hearing aids, hospital services, laboratory fees, laser eye surgery, orthodontia, prescription drugs, and psychiatric services.

Ineligible expenses: cosmetic procedures, teeth whitening, vitamins or supplements, among others. A comprehensive list is available on our website.

What happens to money left in my account at the end of the plan year?

You must use the funds you elect now by December 15, 2012. Expenses paid out of pocket must be filed for reimbursement by January 31, 2013. After that date, any remaining funds are forfeited.

How do I calculate my election?

First, you need to understand what your insurance plan(s) will pay. The FSA will not reimburse you for expenses paid by insurance. Then, think about the predictable medical expenses you expect to pay for yourself and your qualified dependents during the next year.

Note: The maximum amount you can contribute is \$4,000.00 a year.

Deductible	\$ _____
Copayments	\$ _____
Dental Care	\$ _____
Orthodontia	\$ _____
Vision Care	\$ _____
Prescriptions	\$ _____
Other	\$ _____
Total	\$ _____

Amount you should consider contributing to an FSA.....

Can I change my enrollment later?

Once you are enrolled in a Health Care FSA, you may only change your contribution within 30 days of a qualifying event. Qualifying events include marriage, divorce, gaining a dependent, losing a dependent, becoming eligible for coverage, or becoming ineligible for coverage. You may have a right to continue participation after termination or loss of eligibility under COBRA, but participation may not extend beyond the end of the plan year. If your participation ends during the plan year and you do not elect to continue under COBRA, any unused funds will be forfeited.

How do I access my FSA?

There are several ways to use the funds in your FSA. The optional BenefitsWorkshop Debit Card automatically deducts from your FSA balance, or you can pay for expenses out-of-pocket and submit a manual claim to be reimbursed. We will either mail you a check or process a direct deposit to your bank account.

What do I need to know about the Optional BenefitsWorkshop Debit Card?

The card can be used at most medical facilities and pharmacies. There is no PIN number and you do not need to activate the card. Simply swipe the card and sign the receipt. **We recommend that you always retain a detailed receipt or itemized bill for each Debit Card transaction, as many times you will need to submit documentation showing the funds that were spent on an eligible expense.**

In some cases, no paperwork is required for Debit Card Transactions. For example, we will automatically approve the copays you are required to pay by your employer’s medical insurance plan. Also, many retailers have systems in place to automatically approve transactions, which eliminates the need for documentation. However, other times we are required by the Internal Revenue Service to obtain documentation from you that shows the funds were spent on an eligible expense. Appropriate documentation is either a detailed receipt, an itemized bill from your medical provider, or an explanation of benefits from your insurance company. All documentation should contain these key pieces of information: date of service, provider name, patient name, and services performed/items purchased. Documentation should be mailed or faxed to us within ten days of the transaction, along with a *Health Care Expense Documentation* form. Failure to comply may result in the suspension of your Debit Card privileges and/or other actions deemed appropriate by BenefitsWorkshop and your employer.

The BenefitsWorkshop Debit Card is optional and additional fees will apply. An annual fee of \$18.00 will be deducted from your account each plan year. Additional and/or replacement cards are available for a onetime fee of \$5.00 each. For more information, please refer to the *Debit Card Request* form.

How do I file a claim for reimbursement?

Simply complete a *Health Care FSA Expense Documentation* form and submit it along with appropriate documentation. That can be either a detailed receipt, an itemized bill from your medical provider, or an explanation of benefits from your insurance company. All documentation should contain these key pieces of information: date of service, provider name, patient name, and services performed/items purchased. Your reimbursement will be mailed to you, or deposited directly to your bank account if you have submitted a *Direct Deposit Authorization* form. Both forms are available on our website and easy to complete.

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