Flexible Spending Account (FSA) Enrollment Kit

• Significant savings
• 24/7 web access
• Fast, efficient, convenient
• The benefit that benefits everyone
The FSA Plan

A Flexible Spending Account (FSA) is an employee benefit plan established under IRC Section 125 that allows you to pay for everyday health care, dependent care expenses and certain individual premium expenses with pre-tax dollars.

An FSA saves you money by reducing your taxable income. The FSA amount you elect will be subtracted from your gross income. Federal, state and FICA taxes are then calculated on the lower amount. When you (or your spouse or dependents) incur an eligible expense, you’ll receive reimbursement from the funds you’ve set aside from your paycheck.

Health Care Component:
This account helps you save money on everyday out-of-pocket medical expenses such as medical copays, coinsurance, prescription drugs, orthodontics, vision expenses, hearing aids, dental services, eligible over-the-counter (OTC) items and more. Qualifying dependents for FSA purposes include children through the end of the year in which they turn 26.

Limited Purpose FSA:
A limited-purpose FSA is much like a general-purpose health FSA. The main difference is that the limited-purpose account is set up to reimburse only eligible FSA dental and vision expenses. These plans allow you to contribute to an HSA as well.

Dependent Care Component ($5000 maximum):
This account helps you save money on daycare expenses for dependent children and adults so you can work. Qualifying dependents include children under age 13, whom you claim as a dependent on your federal income tax return (special rules apply for divorced parents), a disabled spouse and any other dependent on your tax return who resides with you and is physically or mentally disabled.

Plan Ahead for your FSA!
Planning ahead is important when signing up for your company’s FSA Plan and understanding the benefits offered is critical.

Estimate Your Expenses:
You can maximize your FSA account by planning ahead carefully and using this helpful tool. You may also use the FSA calculator on our website, LifetimeBenefitSolutions.com. Some common items to consider are also listed in the chart:

<table>
<thead>
<tr>
<th>Health Care Account</th>
<th>Annual Expense</th>
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<tbody>
<tr>
<td>Deductibles</td>
<td>$</td>
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<tr>
<td>Co-pays</td>
<td>$</td>
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<tr>
<td>Dental Expenses not covered by insurance</td>
<td>$</td>
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<tr>
<td>Orthodontia</td>
<td>$</td>
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<tr>
<td>Vision Expenses (Exams, Glasses, Lenses)</td>
<td>$</td>
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<tr>
<td>Hearing Expenses (Exams, Hearing Aids)</td>
<td>$</td>
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<tr>
<td>Prescription Drugs</td>
<td>$</td>
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<tr>
<td>Eligible Over-the-Counter Items</td>
<td>$</td>
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<tr>
<td>Diabetic Supplies</td>
<td>$</td>
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<tr>
<td>Therapy (Physical Therapy, Speech, Chiro)</td>
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<tr>
<td>Medical Mileage</td>
<td>$</td>
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<tr>
<td>Other</td>
<td>$</td>
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<tr>
<td>Total Estimated Health Care Expenses</td>
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</table>

<table>
<thead>
<tr>
<th>Dependent Care Account</th>
<th>Annual Expense</th>
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<tbody>
<tr>
<td>Payment to Dependent Care Facility</td>
<td>$</td>
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<tr>
<td>Payment to Dependent Care Individual</td>
<td>$</td>
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<tr>
<td>Payment to Adult Care Provider</td>
<td>$</td>
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<tr>
<td>Total Estimated Dependent Care Expenses</td>
<td>$</td>
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<tr>
<td>Total Health Care PLUS Dependent Care</td>
<td>$</td>
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</tbody>
</table>

Know the Details:
Be sure to budget for each account expense separately. Elections to and reimbursements from these accounts cannot be blended. Also, a use-it-or-lose-it provision may apply, so plan ahead carefully.

You must re-enroll in this Plan each year. You cannot change your election during a Plan year unless you incur a qualifying life event, such as marriage/divorce, birth/adoPTION.

Read your Summary Plan Description (SPD) carefully to understand the specific terms of your Plan. The Plan Document governs your rights and benefits under each Plan and is available through your employer.
Claims Processing and Customer Service

Filing a Claim:
Submit your claims online to receive the fastest reimbursement for an eligible out-of-pocket expense. Supporting receipts and documentation can be scanned and attached to your online claim, or you can email, fax or mail the required paperwork. Another option is to download a paper Reimbursement Request form. Complete the form by itemizing your expenses and following the instructions found directly on the form. Reimbursement Request forms and required documentation can either be mailed or faxed for processing.

Claims deadlines apply. Be sure to carefully read your Summary Plan Description (SPD) to understand the terms and deadlines associated with your Plan.

Customer Service:
Most of your questions can be answered by visiting the website. If you prefer to speak with a customer service representative, call 800-327-7130 Monday-Thursday from 8am EST to 5pm EST and Friday from 9am EST to 5pm EST. You can also email our Customer Service department at lbs.customerservice@lifetimebenefitsolutions.com.

Go Direct or Go Green
Receive your reimbursement quicker, and avoid the $30 check minimum and a trip to the bank by completing a Direct Deposit form online.

Provide or update your email address online and help us go green. You’ll receive only plan related information such as account statements, claim related information and Request for Information (RFI) letters (for Card participants).

Mobile App
Our mobile app enables you to easily and securely access your health care spending accounts. You can view account balances and detail, submit claims, and capture and upload pictures of your receipts anytime, anywhere on iPhone, Android or tablet devices.

Web Access
View your account online 24/7 via LifetimeBenefitSolutions.com. While online, you can:
• Submit claims for reimbursement
• View claims history
• Sign up for Direct Deposit
• Check your available balance
• Access forms such as Direct Deposit, Certification of Medical Necessity, Release of Information and various Reimbursement Request forms
• Enter your email address to receive important Plan related materials
• Use our online services, such as our online calculator to estimate your out-of-pocket expenses and our online eligible expense listing

To access your account online, visit LifetimeBenefitSolutions.com and click on the Participants link. Select Reimbursement Accounts: FSA/HRA/HSA/QTB then click on the green login button. For detailed instructions on how to view your account online, click on the link for Login Directions to Your Reimbursement Account located under the green login button. Your initial username will be your social security number (or whatever identifier your employer provides). Your password will be the first letter of your first name (lower case) followed by your five digit zip code.
The Health Spending Card

The Health Spending Card is a convenient payment method...you simply swipe the card without incurring an out-of-pocket expense! Behind the scenes, the provider is paid and the amount is deducted from your account balance. You don’t have to file a claim form for reimbursement—the payment function is fully automated.

Cashless but Not Paperless:
Each time you use your Health Spending Card, you must be able to prove you used it to pay for a Plan eligible item or service. Fortunately, technology behind the Health Spending Card automatically substantiates the vast majority of your transactions. You will receive a letter asking you to send in copies of your receipt and necessary documentation for those transactions that can’t be automatically substantiated with supporting technology.

Purchasing Items with the Card:
When you purchase items with the card, such as over-the-counter (OTC) items, they may be auto-substantiated if the merchant uses a special barcoding system called Inventory Information Approval System (IIAS). You will not be sent an RFI letter for transactions that are automatically substantiated. Eligible OTC items classified as not drugs and medicines, such as bandages, have the IIAS barcodes directly on the product. These items may be purchased with the card; no additional rules apply.

The IRS states that OTC items classified as drugs and medicines, such as cough syrup, are only eligible if they are accompanied by a doctor’s prescription. Additional rules apply to pay for eligible drugs and medicines that are accompanied by a doctor’s prescription with the Health Spending Card: 1) the pharmacist must assign an Rx number; and 2) the pharmacist must retain a record of the Rx with the transaction details. Only if all rules are met can eligible OTC drugs and medicine be paid for with a Health Spending Card. If the pharmacy is unable to meet the IRS rules, you must pay for the items out of pocket and then submit a claim form with the proper documentation including the doctor’s prescription.

Paying for Services with the Card:
Paying a doctor’s office copay is an example of paying for services with the card. However, in some cases, services provided at a medical, dental or vision office cannot be auto-substantiated. In these cases, you will receive an RFI letter asking for copies of your receipt and necessary documentation.

Important Health Spending Card Tips:
• Keep all receipts associated with your Health Spending Card in a central location, and promptly reply when asked for a copy.
• The IRS states that services are eligible for reimbursement after the services have been rendered. Prepaying for services such as weight loss or fitness memberships is not allowed.
• The Health Spending Card will be mailed directly to your home address. Read all information enclosed with the card and sign the card to agree to the terms.
• If a merchant will not accept the card, just pay out of pocket and submit for reimbursement.

Remember—the Health Spending Card is cashless, but not always paperless! Be prepared to submit copies of your receipts and other documentation when requested.

All information about purchases may apply depending on what the Plan allows on the card.