

Debit Card Frequently Asked Questions Wyandotte Public Schools 2019 PLAN YEAR

Understanding how your FSA Debit Card works will optimize your experience with your Flexible Spending Plan. If you have questions at any time, please contact your Human Resources Representative or Employee Benefit Concepts, Inc. a Group Resources® company. Throughout this Q & A we will be referring to Employee Benefit Concepts (EBC).

- **How does a (Flexible Spending) Debit Card work?** Your prepaid FSA Visa Debit Card can be used to pay for qualified medical expenses anywhere Visa is accepted. It is your responsibility, however, to ensure that your FSA Visa Debit Card is used only for “qualified” medical expenses.
- **What are qualified medical expenses?** Qualified expenses are expenses for medical services not covered by the health care plans: deductibles, prescription and physician co-pays, vision, dental, orthodontia, chiropractic, and acupuncture services are some examples.

***Effective January 1, 2011 IRS “eligible”** over-the-counter items include adult diapers, blood glucose monitors, and diabetic test strips and drugs and medication items prescribed by a doctor with a prescription.

On **September 3, 2010**, the IRS issued its initial guidance with respect to the new rule included in the PPACA that requires a doctor’s prescription for the reimbursement of over-the-counter (OTC) drug and medicines from a FSA. The guidance confirms the following:

- Participants will still be able to use their FSA for purchases of ALL OTC drugs and medicines, **as long as they have a doctor’s prescription.**
- The rule was effective January 1, 2011 and applies to purchases after January 1, 2011.
- The only acceptable forms of documentation for reimbursement for OTC drugs and medicines is a doctor’s prescription, as regulated by state law along with an acceptable receipt, or a receipt indicating the Rx number in addition to date purchased, purchaser, and amount.
- Insulin, medical devices (crutches, blood sugar monitors, ect.) and items such as bandages, contact lens solution, denture bond, etc. will not require a prescription.
- **What are ‘non-qualified’ medical expenses?** Typical examples of ‘non-qualified’ FSA medical expenses:
 - Cosmetic treatments (dental whitening, facial treatments) or cosmetic surgeries
 - Over-the-counter items purchased for general health and wellness
 - **Over-the-counter items purchased after December 31, 2010***
- **Who verifies that purchases have been made of ‘qualified’ expenses?** It is the IRS guidelines along with the retailers IIAS system that determines which purchases made using the Take Care Debit Card are eligible under IRS guidelines. Therefore, as with any FSA plan, it is important to retain copies of all medical receipts. If a purchase made with your FSA Debit Card needs to be verified a letter or an e-mail will be sent directly to you requesting a copy of the ‘pending’ debit card transaction receipt. You may also log in to the www.myflexonline.com web site and see if a receipt will be needed. A receipt can be mailed, faxed or scanned and emailed directly to EBC, along with a copy of the e-mail, letter request or the form that is available on the www.myflexonline.com web site so that EBC can adjudicate the ‘pending’ transaction.
- **Do all FSA Debit Card transactions require this verification process?** No. Common co-pay amounts for both prescription and medical visits will automatically be adjudicated and substantiated. Amounts that cannot be easily identified will require back-up documentation. Receipts are not required if you swipe your card at a No Receipt Retailer. Debit cards are smart enough to approve only qualified items, participants will not be asked to submit receipts for purchases made at these certified retailers.

Retailers that do not meet these requirements may not be able to accept flex benefit cards.

A regularly updated list is on the SIGIS Merchant list located on <http://www.sig-is.org/en/resources/publications.asp>

- **What happens if I use the card to purchase a ‘non-qualified’ medical expense?** If it is determined that your FSA debit Card was used for the purchase of a ‘non-qualified’ medical expense, the amount of the ‘non-qualified’ purchase will have to be repaid to EBC and you will be charged a \$10.00 processing fee.

- **What is the advantage of using an FSA Debit Card if I still have to follow up with receipts in some instances?** The advantage to using an FSA Debit Card is that you are not taking money out of your pocket, or applying charges to a personal credit card to pay for your qualified medical services. No claim forms need to be filled out. Your FSA Debit Card can be used by your spouse or other eligible dependents. Example: your teen or adult child can use the Debit Card at your dentist or vision care providers' office to pay for services that would otherwise have to be paid out-of-pocket.
- **What if my provider does not accept Visa?** Paper claims can always be submitted as an alternative. Using the FSA Debit Card to pay for expenses is optional.
- **Can I pay for expenses incurred in the previous plan year with current plan year funding?** No, you may not. The IRS regulations do not allow for previous expenses to be paid for with current plan year funds. If this happens, you will be required to repay the said amount and your debit card will be suspended until the amount is repaid.
- **Is there a fee for using the FSA Debit Card?** Yes, there is an annual service fee of \$15.00, which will be deducted from your FSA Account balance.
- **How do I request a debit card?** You may request a debit card online through the www.myflexonline.com website. When you are logged into your account, click on the blue "Card Center" tab at the top of the screen, the "Flex Benefits Card" tab in the drop down menu, and then the blue "Get Started" box at the bottom of the screen (you may need to scroll down depending on the size of your screen). Be sure to populate the fields with the name of the person for whom you are ordering the card. The card will be mailed directly to your home in a plain white envelope via the US Postal Service within 7 to 14 business days.
- **Will I be able to use my card immediately?** No, you must call the phone number listed on the front of the new card to activate the card. This is a new safety feature changed to help protect from illegal use of the card.
- **If I have a suspended 2018 debit card account because of a balance due or an unsubstantiated debit card swipe can I use the debit card when the new Plan Year begins on January 1, 2019?** No. You will still need to submit the receipts required for the 2017 account.
- **Can I use previous plan year funds for claims incurred in the new plan year?** No. IRS regulation guidelines state that claims are reimbursed based on the date of which they were incurred, not when they are paid. The last day to incur claims for any plan year is December 31st. Any carry over funds from one plan year to the next are to be used for the current plan year, not the previous plan year.
- **What happens if my card is stolen or lost?** If your card has been lost or stolen, please call 1-866-679-7649 to report the card lost or stolen as soon as possible. A new card will be issued for you and if applicable, your dependent.
- **Can I order an additional card?** You may order additional cards on the www.myflexonline.com web site.
- **Can the debit card be used at my Daycare Center?** Some Day Care centers do accept the debit card. Please confirm with your center before ordering the card.

If at any time you have any questions concerning the Take Care Debit Card please contact Employee Benefit Concepts, Inc. a Group Resources® Company at (248) 855-8040 via email at: flexclaims@groupresources.com