

Prepaid Benefits Card for your Medical Flexible Spending Account

What is a prepaid benefits card?

A prepaid benefits card is a special-purpose Visa® card that gives you an easy, automatic way to pay for qualified health care/benefit expenses by electronically accessing the pre-tax amounts set aside in your Flexible Spending Account (FSA). It works like a Visa card, but has the amount of your FSA contribution stored on it. You or an eligible dependent can use your card for qualified, eligible expenses at businesses that accept Visa cards. The amount of the qualified purchases will be deducted automatically from your account, and the pre-tax dollars will be electronically transferred to the provider/merchant for immediate payment.

Is this just like other Visa Cards?

No. The prepaid benefits card is a special-purpose Visa card that can be used only for qualified health care/benefits expenses. It cannot be used, for instance, at gas stations or restaurants. There are no monthly bills and no interest.

How many prepaid benefits cards will I receive?

You will receive two prepaid benefits cards. If you would like additional cards, contact your plan administrator.

What if my prepaid benefits card is lost or stolen?

You should call your plan administrator to report a lost or stolen card as soon as you realize it is missing. Your administrator will turn off your current card(s) and issue replacement card(s). Replacement cards are \$5 each. This cost will be deducted directly from your FSA.

How do I activate my prepaid benefits card?

Call the toll free number located on the activation sticker on the front of your card. One phone call will activate both cards. Wait one business day after activation to use your prepaid benefits cards. Each card user should sign the card with his or her name.

Where can I use my prepaid benefits card?

On January 1, 2008, recent IRS regulations allow you to use your cards in participating pharmacies, discount stores and supermarkets that can identify FSA-eligible items at checkout. You can find participating stores by visiting the Web site on the back of your card or consulting your plan administrator. You **cannot** use your cards at discount stores and supermarkets that do not participate.

If asked, should I select "debit" or "credit"?

Since the prepaid benefits card is a prepaid card and no "prepaid" selection is available, you should select "credit." You do not need a personal identification number (PIN) and cannot get cash with this card.

How will my card work at participating discount stores and supermarkets?

- Bring prescriptions, vision products, over-the counter medicines and other purchases to the register.
- Present your card and swipe it for payment.
- If the card swipe transaction is approved (e.g., You have sufficient funds in the account and are purchasing at least one FSA-eligible product.), the amount of the FSA-eligible purchases will be deducted from the account balance and no receipt follow up is required. The clerk will then ask for another form of payment for the non-FSA-eligible items.

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- If the card swipe transaction is declined, the clerk will ask for another form of payment for the total amount of the purchase.
- The receipt will identify the FSA-eligible items and may show a subtotal of the FSA-eligible purchases.
- In most cases, you will not receive requests to submit receipts as proof of purchase for FSA-eligible purchases made in participating discount stores or supermarkets.

Why do I need to save all itemized receipts for purchases made with my card?

You should always save itemized receipts for FSA purchases made with your card. You may be asked to submit receipts to verify that your expenses comply with IRS guidelines. Each receipt must show: the merchant or provider name, the service received or the item purchased, the date and the amount of the purchase.

What if I lose my receipts or I accidentally swipe the card for something not eligible?

Usually the service provider can recreate an account history and provide a replacement receipt. If a receipt cannot be located, recreated or the expense is ineligible for reimbursement, you can send a check or money order to your plan administrator for the amount so it can be credited back to your FSA account.

Should I use my card to pay my provider at time of service?

It depends. You should use your card if, at the time of checkout, your provider verifies exactly how much you owe. Your provider would do this by contacting your benefits administrator either by phone or online. In this case, you will not be asked to submit receipts because your transaction and your benefits plan will match exactly. Sometimes a provider requires payment and does not verify exactly how much you owe. If you use your card in this case, your card transaction may not match the amount your benefits administrator indicates you owe. You will then be asked to submit receipts, because your transaction and your benefits plan may not match exactly. If your provider does not verify your true amount owed and you overpay, it is your responsibility to have the provider credit your card for any overpayment or pay back the amount to your FSA.

Can I use my prepaid benefits card if I receive a statement with a 'patient due balance' for a medical service?

Yes. As long as you have money in your account for the balance due and the provider accepts Visa cards, you simply write your prepaid benefits card number on the statement and send it back to the provider.

How do I know how much is in my account?

Visit your plan administrator's Web site to view your account activity and current balance. Or, call your plan administrator at the phone number listed on your card to obtain your current balance. You should always know your account balance before making a purchase.

How will I know to submit receipts to verify a charge?

You will receive a letter or notification from your plan administrator if you need to submit a receipt. All receipts should be saved per the IRS regulations.

What if I fail to submit receipts to verify a charge?

If you do not submit receipts as requested to verify a charge made with your prepaid benefits card, then your card may be suspended until receipts are received. You will be required to repay the amount charged. Your plan administrator will reactivate your card after you submit a receipt or repay the amount in question.