

Flex Plan News

Flexible Benefit Plan News for Administrators**January 2003**

Timely Reminders for Benefits Administrators

Administrators of calendar year plans should observe the following target dates:

FSA Plans:

- ✓ December 15th (Past Due!) – enrollment forms due to **ProBenefits**, so processing will be complete and claims payable starting Jan 1st
- ✓ December 31st – last day to incur claims eligible for 2002 FSA reimbursement
- ✓ March 31st – last day to submit FSA claims incurred during plan year 2002.

“Premium Only” Plans:

- ✓ December 31st – deadline for distributing annual notice letter to all eligible plan participants.
- ✓ January 15th – all renewal information due.

All Calendar Year Plans:

- ✓ January 1st – benefit elections become “irrevocable” for the coming plan year, and can only be changed in event of an approved “Change in Status”.

Important!

If your re-enrollment materials were not submitted to **ProBenefits** by the December 15th deadline, please advise FSA participants that early January claims may be delayed.

Quickies

- ◆ *Update Salaries with LTD Insurers*
Remember to send updated salary information to your Long Term Disability insurance carrier at least annually. Also, verify in writing that your LTD benefits are based on gross contractual (pre-flex) earnings, not flex-reduced earnings. See the Q&A below.

- ◆ *Why Are You So Tired ?!*
Online Readers: [Please Click Here](#)



Your Questions Answered

Do pre-tax flex contributions reduce disability benefits under our Long Term Disability insurance, since these are based on salary?

Yes, it is possible, if you fail to contact your disability insurer as recommended by **ProBenefits**.

Disability benefits are based upon insured compensation. The key is to verify that the definition of “compensation” is gross contractual compensation prior to salary reductions under the Flexible Benefit Plan.

As part of the Flex Plan installation process, **ProBenefits** encourages all Benefit Administrators to contact their disability carrier to verify coverage provisions.

We further recommend that you re-confirm this periodically with your carrier and maintain a current written verification in your file.

Online Readers:

See [Sample Letter to Disability Insurance Carrier](#)

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