

Flexible Benefit Plan

Enrollment Guide



Instructions for Using This Guide:

- 1 Review** the information and decide how this plan benefits you.
- 2 Estimate** your benefit using the worksheet.
- 3 Enroll** or waive participation by completing the Plan Participation Form, or enroll online at www.ProBenefits.com (if offered by your employer).
- 4 Update** or add your Direct Deposit information online at www.ProBenefits.com or complete the Direct Deposit portion of the Plan Participation Form.
- 5 Return** the completed Form to your employer or complete online enrollment by the announced deadline.



ProBenefits

2640 Reynolda Road · Winston-Salem, NC 27106-3817 · (336) 761-1850 · (888) 722-8382 · Fax (877) 761-1850 · Flex@ProBenefits.com · www.ProBenefits.com

This Guide contains general, explanatory information about a Flexible Benefit Plan. Flex Plans are governed by IRS regulations, which may be amended from time to time. Information in this Guide is correct as of the date of printing, but please consult your company benefits administrator, a ProBenefits representative, or ProBenefits.com for the most current information. If you enroll in the Plan, your Summary Plan Description ("SPD") will contain a full explanation of the Plan and your rights under the Plan.

The Benefit

Flexible Spending Accounts (FSAs)

Flexible Spending Accounts (FSAs) are reimbursement accounts that allow you to pay for certain eligible expenses with tax-free dollars. Through pre-tax salary reduction and reimbursement, you convert taxable income into non-taxable benefits. The result is reduced tax withholdings and more take-home pay. FSA participation results in tax savings of approximately 30% for all dollars run through the plan.

There are two types of FSAs:

- 1. Medical/Dental/Vision FSA** can be used to pay for eligible unreimbursed medical expenses (not covered or paid by any insurance) incurred by you, your spouse, and your dependents. A partial listing of reimbursable and non-reimbursable expenses is included in this Guide. For more information visit www.ProBenefits.com.
- 2. Dependent Care FSA** can be used to pay for eligible dependent care expenses (daycare, childcare) so you **and** your spouse can work, look for work, or attend school full-time. Covered expenses must be for:
 - Dependent children age 12 and under; and/or
 - A person of any age whom you claim as a dependent on your taxes and who is mentally or physically incapable of caring for himself or herself.



Eligible expenses include childcare (nursery, preschool or private sitter), before and after-school care, and day camps.

Ineligible expenses include kindergarten tuition, overnight camps, and expenses paid to a tax-dependent. For more information visit www.ProBenefits.com.



Important Notes About FSAs:

- Any funds remaining in your FSA after the close of the plan year are forfeited per the IRS “Use-or-Lose” rule, so use a conservative estimate when making your election.
- Your FSA annual election cannot change during the plan year except in the event of a recognized Status Change or Qualifying Event.
- Per IRS regulations, dependent care elections cannot exceed \$5,000 per family per tax year.
- Please visit www.ProBenefits.com for more detailed information on the IRS rules governing FSA plans.

What's Reimbursable?

This non-exhaustive list of expenses reimbursable by your Medical Flexible Spending Account is based on Internal Revenue Code 213(d). See www.ProBenefits.com for further information, or please feel free to contact us if you have any questions about eligible expenses.

Reimbursable:

Acupuncture
Acne treatment
Ambulance
Artificial limbs
Artificial teeth
Automobile modifications (hand controls, lifts, etc.)
Birth control
Blood pressure monitor
Braille books & magazines
Care for mental handicap
Chiropractors
Copays, deductibles, & coinsurance
Contact lenses & supplies
Contraception
Costs for physical/mental illness
Crutches
Deductible, all family members
Dentist fees (if not cosmetic: e.g., teeth whitening is a non-reimbursable expense)
Dentures
Diagnostic fees
Diagnostic devices
Drug & alcohol addiction treatment
Drug & medical supplies
Eyeglasses, incl. exam fee
Guide dog
Handicapped persons' schools
Hearing devices & batteries
Insulin
Laboratory fees
Laser eye surgery
Learning disability - special school fees
Obstetrical expenses (after services have been performed)
Operations (medically necessary)

Orthodontia (special rules apply; see www.ProBenefits.com)
Orthotics/Orthopedic shoe inserts
Osteopath fees (licensed)
Over-the-counter medications intended to treat specific medical conditions
Oxygen
Physical therapy
Physician fees
Practical nurse fees
Prescribed medicine (if not cosmetic: hair-loss medications are not reimbursable)
Psychiatrist's care
Psychologist's fees
Routine physicals
Smoking cessation
Special communications equipment for the deaf
Special education for the blind
Surgical fees
Transportation expenses for medical service
Tubal ligation
Tuition at special school for the handicapped
Vasectomy
Wheelchair
X-rays



Sometimes Reimbursable:

These items may be reimbursable if accompanied by a note from a doctor recommending the item to treat a specific medical condition. Other special rules may apply - see www.ProBenefits.com for more information.

Cord blood storage
Corrective/Support Devices (special mattress or board)
Fertility treatment
Home improvements for medical conditions
Nutritionist
Orthopedic shoes
Vitamins & nutritional supplements (only if recommended by a doctor for a specific medical condition)
Weight loss to treat existing disease
Wigs

Not Reimbursable:

Cosmetic surgery (unless restorative)
Finance charges
Imported drugs (Canada, Mexico)
Insurance premiums for individual policies
Long term care expenses
Marriage counseling
Missed appointment fees
Personal hygiene products
Spa fees
Teeth whitening
Toothbrushes
Warranties



About the Flex Card

Please note: Your plan may not offer the Flex Card or your plan details may differ slightly from those below. Contact your employer or ProBenefits for more information.

The Flex Card is a MasterCard® limited merchant category card. It is designed to work at merchants with a health-care merchant category code, such as a doctor's office or hospital; at these locations, card transactions which match your employer-sponsored group health plan copays will be automatically approved. You will need to submit documentation to ProBenefits for other amounts.

The Flex Card will also work at retail merchants which have an Inventory Information Approval System (IIAS) in place. The IIAS will provide automatic adjudication at the point of sale for FSA-eligible items; this means you can only purchase eligible items with your card at these locations, and you will not need to submit paperwork for these charges. However, per IRS requirements, you should always keep your receipts on file.

For a complete listing of eligible Merchant Category Codes and a listing of IIAS Retail Merchants where the Flex Card is accepted, please visit our website at www.ProBenefits.com.



Top Five Benefits of the Flex Card

- 1. Cashless FSA Transactions:** The Flex Card provides instant access to FSA funds, reducing out-of-pocket expenditures.
- 2. Less Paperwork to Submit:** Charges are automatically approved at many locations where the card is accepted, so in many cases you will only need to save your receipts instead of submitting them to ProBenefits.
- 3. Online Account Access:** See personal account information including your available balance and transaction history.
- 4. Free Cards:** There is no fee for cards for you and your spouse or dependent.
- 5. Flexibility:** You can still file reimbursement claims if you forget your card or choose not to use it.

Important Notes About the Card:

- **Save your receipts!** You may not always need to submit them to ProBenefits, but the IRS requires that you keep them on file in case of an audit.
- For expenses not paid with your card, you can still submit a regular reimbursement claim form. The card is just one way to access your FSA.
- Your card(s) will be mailed to the address on file with ProBenefits.
- **Keep your card!** Your card will not expire for 3 years, so if you use up your FSA funds during this plan year, save your card for use next year.
- There is no PIN for the Flex Card. When given the option between debit and credit, you should choose credit.
- Your card is for medical expenses only - it cannot be used for dependent care (daycare) expenses.

Estimating Your Expenses

Use this worksheet to help estimate what out-of-pocket expenses you can pay with *tax-free benefit dollars* through a Flexible Spending Account (FSA).

1. Medical/Dental/Vision FSA

What is your estimate of medical/dental/vision costs to be incurred during the plan year and not reimbursed by insurance or any other benefit plan? Be sure to include expenses for you, your spouse, and all dependents, even if they are not enrolled under your employer's insurance coverage. Confirm the eligibility of an expense on our website (www.ProBenefits.com) or call us to discuss!



Medical

Insurance Deductibles \$ _____
 Copays and Coinsurance (amount not paid by insurance) \$ _____
 Routine Exams (Physicals, Ob-Gyn, etc.) \$ _____
 Prescription Drugs (Including Birth Control) \$ _____
 Over-the-Counter Medications \$ _____

Dental

Insurance Deductibles, if applicable \$ _____
 Copays and Coinsurance (amount not paid by insurance) \$ _____
 Exams, Cleaning, X-rays, etc. (NOT teeth whitening) \$ _____
 Fillings, Caps, Crowns, Bridges, etc. \$ _____
 Orthodontia (Braces) *Note: Special rules apply* \$ _____

Vision Care (Exams, Contacts, Glasses, LASIK Surgery) \$ _____

Hearing Care (Exams, Hearing Aids & Batteries, etc.) \$ _____

Other unreimbursed medical expenses \$ _____

Total Medical/Dental/Vision Expenses \$ _____/Year

2. Dependent Care FSA

If your spouse works or if you are a single parent, how much do you pay for employment-related dependent day care or childcare services for children age 12 and under? *Only fees for actual care may be reimbursed. Kindergarten tuition, overnight camps, and expenses paid to a tax-dependent are ineligible.*

Total Dependent Care Expense \$ _____/Year



Remember:

- Reimbursement is based on the **date of service**, not the date of payment. In order for you to be reimbursed from your FSA funds, *the date the expense is incurred* must be within the current plan year and while you are an active participant in the plan.
- Prepayments, such as deposits for prenatal care/delivery, surgery, dental work, or dependent care summer programs, are not eligible for reimbursement until the service has actually been rendered.
- You have 90 days after the end of your plan year or 90 days after your last day of plan participation to file reimbursement claims for eligible expenses.
- Your Dependent Care and Medical/Dental/Vision FSAs are two separate plans, and funds cannot be transferred between them.
- Please call us or visit our website, www.ProBenefits.com, for any questions about eligible expenses.

Flexible Benefit Plan Participation Form

Please print clearly!

Employer: _____

Employee Name: _____ Social Sec#: _____
First Name Last Name

Mailing Address: _____
Street City St. Zip

Birth Date: _____ Hire Date: _____ Email: _____
ProBenefits will email Claims & Payment Verifications

Flexible Spending Accounts

Request to PARTICIPATE

A. Medical / Dental / Vision Care

The cost paid by you or your dependents for medical, vision or dental care which is not reimbursed by insurance.

B. Dependent Care

Employment-related custodial care for qualifying dependents (children age 12 and under; or dependent, disabled adults).

Request to WAIVE

The Flexible Benefit Plan has been explained and I elect to waive participation in Flexible Spending Accounts. I understand that without a Change in Status or other Qualifying Event described in the Plan, my next opportunity to enroll will be at the start of the next plan year; if not changed, this waiver will continue in effect indefinitely.

Plan Year Benefit Elections

\$ _____ / Plan Year

[Employer-set minimums and maximums apply]

\$ _____ / Plan Year

[IRS Family Maximum \$5000/yr]

Employer: Please complete

Med FSA Amount/Pay Pd.

Dep FSA Amount/Pay Pd.

First Payroll Date Impacted

Initial to Indicate Approval

Flex Card - ONLY for Initial Signup *(If offered by your plan)*

I want a Flex Card. IMPORTANT: If you already have a ProBenefits Flex Card, DO NOT complete this Section. You will automatically receive a new card in the mail when your current card expires. **If you and/or your dependent have lost your card(s), please contact ProBenefits.**

Employer: Is employee a participant in your group health plan? Yes No

Home Phone #: _____ Mother's Maiden Name: _____
For security purposes only

Additional Card for Dependent: _____ Relationship: _____
21 characters maximum including spaces (i.e., Spouse or Child)

Weekly Direct Deposit Signup

(If offered by your plan)

Type of Account:

- Checking
 Savings

Please check one:

- I am signing up for Direct Deposit for the first time.
 I would like to change my account information.

IMPORTANT: If you are re-enrolling for a new plan year and you already receive Direct Deposit reimbursements, DO NOT complete this section unless your bank information has changed. You may also add or change Direct Deposit information any time during the plan year by logging into your account online at www.ProBenefits.com.

Please tape a Voided Check (not deposit slip) here.

A voided check supplies the account numbers and routing information required by the bank to establish your Direct Deposit arrangement. (Deposit slips sometimes do not include all needed information.)

By signing below I certify that I have read the Flexible Spending Accounts Acknowledgments and, if applicable, the Flex Card Acknowledgments and/or the Direct Deposit Reimbursement Authorization Agreement on the reverse of this page. I agree to the terms of participation listed in this guide. I authorize my employer to adjust my compensation by the amount of my Benefit Elections shown above.

Signature _____ Date: _____

ProBenefits

Acknowledgments

Flexible Benefit Plan and Flexible Spending Accounts

1. My portion, if any, of insurance premiums for eligible employer-sponsored insurance plans elected for myself and my dependents will be automatically pre-taxed unless I sign a Pre-Tax Waiver form provided by my employer. My employer may adjust pre-tax premiums if rates change during the year, but I may not be able to change my election during the Plan Year.
2. I cannot change or revoke my elections prior to the start of the next plan year, unless I have a Change in Status or other Qualifying Event described in the Plan. (Examples of Changes in Status include: marriage, divorce, birth or adoption of a child, or termination of spouse's employment.)
3. Signing this form does not initiate my coverage under any insurance policy.
4. Participation in this Plan may mean paying less Social Security tax, which could reduce my future Social Security benefits.
5. My Plan Year benefit elections may be slightly rounded, if necessary, to allow per-pay-period salary reductions.
6. Unused amounts remaining in Flexible Spending Accounts for the Plan Year and applicable runout period(s) will be forfeited.
7. I can only submit claims for expenses incurred during the Plan Year while I am an active participant in the Plan. Such reimbursement requests must be submitted with appropriate documentation (claim form and provider receipts) no later than 90 days after the end of the Plan Year or 90 days after termination of plan participation, whichever comes first.
8. My benefit account(s) and claim data may be maintained on a computer system providing automated access.
9. Due to privacy concerns, ProBenefits will discuss claim information only with me as the participant.
10. Enrollment in the Medical Flexible Spending Account listed covers me and my eligible dependents, if any. I understand that FSA enrollment may impact my eligibility, or eligibility of my spouse or dependent(s), for a Health Savings Account (HSA). I also understand that I cannot change or reduce my Medical FSA during the plan year in order to enroll in an HSA. *Note: To enroll in an "Employee-Only" or "Employee-Plus-Children" Medical FSA or a "Limited" FSA (covering only dental/vision expenses), see your benefits administrator for a special form.*
11. This document provides general information about a Flexible Benefit Plan. For more specific information, I will review my Plan's Summary Plan Description (SPD).

Flex Card (If offered by your plan)

After completing the Flex Card - Initial Signup on the Plan Participation Form, as a participant in one or more of your Employer FSA plans you will receive a mySourceCard™ MasterCard® and agree to use it according to this Agreement and the Cardholder Agreement that will be provided to you with the card.

1. I understand that the Flex Card is restricted to certain merchant categories and approved IIAS vendors and is not accepted at all MasterCard® authorized locations.
2. I understand that I may not obtain a cash advance with the card at any merchant, bank or ATM.
3. I understand that the card is to be used *exclusively* for Qualified Expenses as defined by the plan(s) in which I participate. If the card is used for an expense that is not a Qualified Expense, I understand that I am indebted to my employer and must repay the full amount of the non-qualified expense. Payment on non-qualified expenses may be in the form of an offsetting claim, a personal check, electronic draft from my personal checking or savings account, a post-tax deduction from my paycheck, or other options established by my employer.
4. I agree to save all invoices and receipts related to any expense paid with the card. I agree that, upon request, I will submit these documents for review by the Plan Service Provider. Failure to submit the receipt(s) in a timely manner will cause the expense to be treated as a non-qualified expense and may cause my card to be suspended.
5. I understand that I may be assessed a \$10.00 replacement card fee if I lose or misplace my card(s). I also understand that if I request more than two cards (one for myself and one for my spouse or dependent), I may be assessed a \$10.00 fee for each additional card.

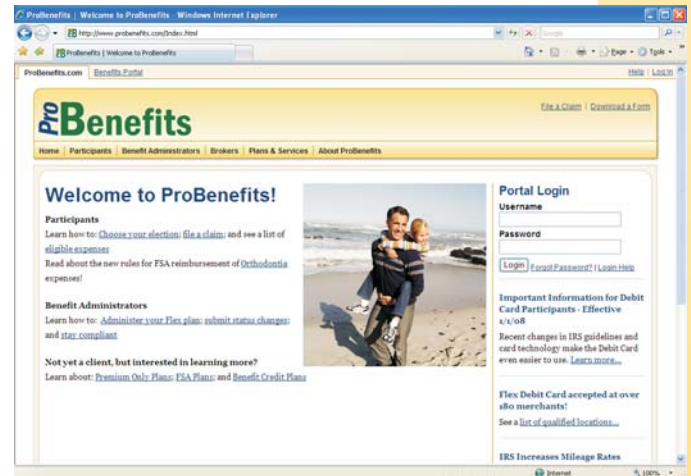
Direct Deposit Reimbursement Authorization Agreement (If offered by your plan)

1. I hereby authorize ProBenefits, Inc. (hereinafter "Plan Service Provider") to initiate credit entries (electronic and otherwise) and, if necessary, debit entries and adjustments for any erroneous credit entries to my Personal Bank Account in the financial institution named (hereinafter "Financial Institution") to credit and/or debit the same to such respective accounts.
2. This authority is to remain in full force and effect until the Plan Service Provider has received written notification from me of its termination in such time and manner as to afford Plan Service Provider and Financial Institution a reasonable opportunity to act on it. I can discontinue this arrangement at any time and receive reimbursements monthly by check.
3. I acknowledge that my Flexible Spending Account (FSA) information will be available to me 24 hrs/day by internet (www.ProBenefits.com), and that I will not receive written verification each time a reimbursement payment is made.

Please complete and sign the Plan Participation Form on the reverse of this page.

At www.ProBenefits.com:

- Use an interactive Benefits Calculator to see how much you save with the Flexible Spending Account
- Make changes to your contact information
- Add or change your direct deposit information
- View account balances
- Fill out and print a claim form
- Check the status and view images of claims you have submitted



Logging in to your ProBenefits.com account:

If you have never logged in before, go to www.ProBenefits.com and click "Login Help" under the Portal Login section on the right side of the screen. Follow the instructions for "First Time Users" for your initial login, and then choose a new user name and password for future use. If you have logged in before but have forgotten your username and/or password, click the "Forgot Password?" link and follow the steps to have your login information reset.

After enrollment for your plan is complete, you can access your Flexible Spending Account information at any time on our secure website. When logged in to your account, you will be able to view account balances, claim information, pending Flex Card transactions, and even images of claims you have submitted. ProBenefits will also email claim and payment confirmations to help you keep track of your account - provide your email address on your Plan Participation Form, or add or change your email address and other contact information online at www.ProBenefits.com.

Contact Us

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The information included in this Guide is for explanation only and is not intended as tax advice. In all matters where tax or legal advice is needed, the services of professional counsel should be sought.