

## Flexible Spending Account Benefits Card

The FSA Card is a benefits card that allows you to pay for eligible expenses with the swipe of a card. Once the card is swiped, it deducts each payment directly from the remaining balance in your FSA. The FSA Benefits Card **can only be used at merchants who are related healthcare or dependent care providers.**

The card is an option designed to eliminate the wait for reimbursement; it was not designed to eliminate the paperwork associated with FSAs. **Remember to keep all of your receipts!** You may be asked to verify your purchases.

Substantiation of your FSA Card purchases is required. Under the IRS guidelines, the following substantiation methods are acceptable:

- *Co-payment matches* – purchases matching the co-payments under your employer sponsored health plan may be automatically adjudicated.
- *Recurring expenses* – purchases made to the same merchant for the same dollar amount may be automatically adjudicated after the charge has been substantiated once.
- *Point-of-sale substantiation* – Some merchants supply inventory information so that the card will be denied if you are trying to use it for non-FSA eligible expenses. These purchases may be automatically adjudicated. A list of certified merchants is available.
- *Pay and chase substantiation* – **Additional documentation will be requested** for purchases that do not meet the above criteria.

If supporting documentation is required, you will receive a letter requesting the information through the U.S. Mail or E-mail. If documentation is not received, you may receive up to 4 notices regarding a debit card transaction.

If proper documentation is not received, or if the charge is not considered an eligible expense, the following correction procedures are in place:

- *Card deactivation* – the FSA debit card will temporarily deactivate until substantiation has been received. You will still have access to your funds through reimbursement only.
- *Account repayment* – if a charge is considered ineligible or if you cannot substantiate the charge, you will be asked to payback your FSA; the payback will be placed into your FSA and will become available for future eligible expenses.
- *Offset with out-of-pocket claims* – if a charge is considered ineligible or if you cannot substantiate the charge, you may substitute another out-of-pocket expense; the unsubstantiated amount will be deducted from reimbursement due.

The IRS determines what merchants are acceptable to make purchases with the FSA Benefits Card. Recently, merchants have been required to adopt the IIAS (Inventory Information Approval System) in order to be considered an acceptable grocer/pharmacy. The list of certified merchants is available on our website.