

# SECTION 125

## FLEXIBLE SPENDING ACCOUNT

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*Employee Enrollment Information*



**PAYCHEX**<sup>®</sup>  
HR Services



## What Is an FSA?

A Flexible Spending Account (FSA) is a pretax benefit that enables eligible employees to set aside a specific pretax dollar amount for unreimbursed medical, dental, vision, orthodontia, and dependent care expenses. If you have predictable out-of-pocket expenses, you may want to consider enrolling in the FSA.



Depending on your plan, you have the option to join two separate FSA accounts:

An **Unreimbursed Medical Account** can be used for eligible medical, dental, and vision expenses. Examples include:



- Office visit co-pays and deductibles
- Prescription eyeglasses or contacts
- Dental cleanings
- Orthodontia

Medical expenses to diagnose, treat, or prevent an existing medical condition, that have not been reimbursed through another benefit plan, are eligible. Some items may require a prescription, doctor's note, or additional certification from a medical provider. For a list of common, qualifying expenses, refer to the FSA Eligible Products listing at [fastore.com/paychex](https://fastore.com/paychex).

A **Dependent Care Account** can be used for custodial expenses for a claimed dependent. Examples include:

- A daycare center or babysitter to allow you (and your spouse, if married) to work, actively look for work, or be a full-time student
- Custodial or elder care

**Note:** The IRS maximum annual employee contribution for Unreimbursed Medical Expenses (UME) was \$2,650 in 2018. Please refer to the Summary Plan Description (SPD) for your plan's maximum contribution as it may be different from this amount.

## Why Should I Participate in an FSA?

**Tax Savings.** FSA deductions come out of your paycheck before most withholding taxes are computed, reducing your taxable income.

**Budgeting.** Regular payroll deductions help you budget medical, dental, vision, and dependent care expenses.

**Ease and Convenience.** The PBA Employee Website is available 24 hours a day/7 days a week, at [www.paychexflex.com](https://www.paychexflex.com)\*



**Still unsure if you'll have FSA-eligible expenses?** Check out thousands of eligible FSA products on our partner website at the [FSA store](#) or by clicking on the below banner for \$10.00 off your next FSA purchase!

## FSA Tools

Visit the PBA Employee Website at [www.paychexflex.com](https://www.paychexflex.com)\* or use the Paychex mobile app to:

- Update your email address or home phone number;
- Access, submit, and track FSA claims;
- Review account balances and election amounts;
- Request FSA forms; or
- View important FSA-related balance information.

You can download the PBA mobile app on the website by clicking **Tools & Resources** from the home page.

## When Can I Enroll in FSA?

If you meet the plan's eligibility requirements outlined in the SPD, you can enroll or change your annual election for the upcoming year during the **open enrollment period** using the website or automated phone system. The effective date for benefit plans elected during open enrollment is January 1 of the following year. For new plans, you can enroll online or by phone approximately two weeks prior to your plan effective date. If you are a new employee whose eligibility date does not occur during the open enrollment timeframe, you need to submit a paper enrollment form to enroll. The form is available online on the PBA Employee Website, Tool & Reports tab, under Forms.

Sole proprietors, partners in a partnership, greater than two percent owners of an S-Corporation, and members of LLCs taxed as such, and their family members, are not eligible to participate in a Section 125 plan.

If you do not submit a change or request to cease participation during open enrollment, your current annual election amount will be used for the following plan year; you do not need to re-enroll. (**Exception:** BeneTrac employees must re-enroll each year)

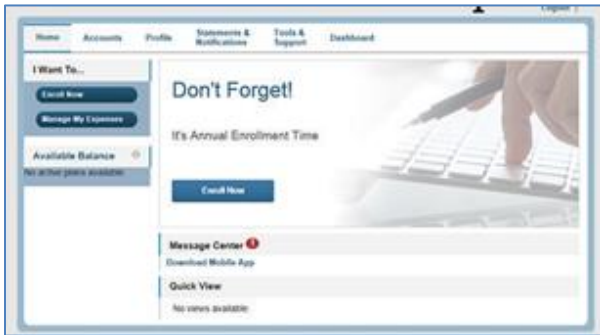
## How Do I Enroll?

You can enroll by logging in to [www.paychexflex.com](https://www.paychexflex.com)\* and selecting **Benefits Account (FSA)**, or by calling 877-244-1771, and saying **Flexible Spending Account**, then **Enrollment**.

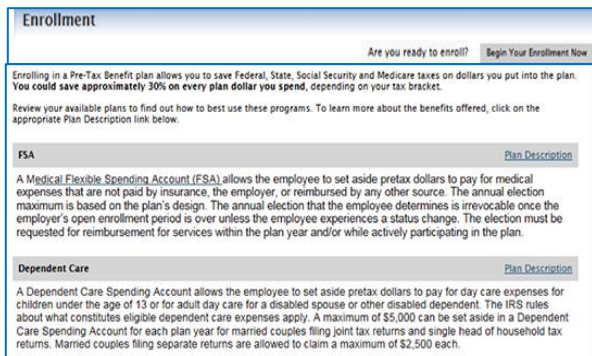
\*MyPaychex account users (Preview) must access the website through <https://www.mypaychex.com> or <https://online.paychex.com> and select Paychex Benefit Account under My Applications.

# Enrolling Online

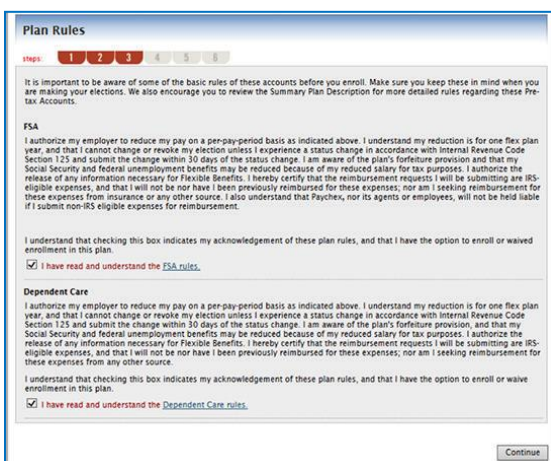
1. Log in to [www.paychexflex.com](http://www.paychexflex.com)\* and select **Benefits Account (FSA)**. From the left menu saying, **I Want To...**, click the **Enroll Now** button.



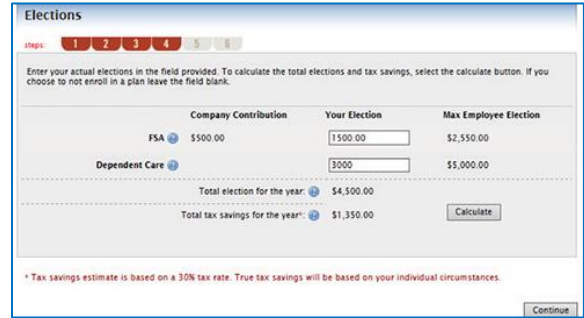
2. After reviewing the general information about your company's plans, click **Begin Your Enrollment Now**. Ask your employer for a copy of the SPD for specific plan details; this page is an overview.



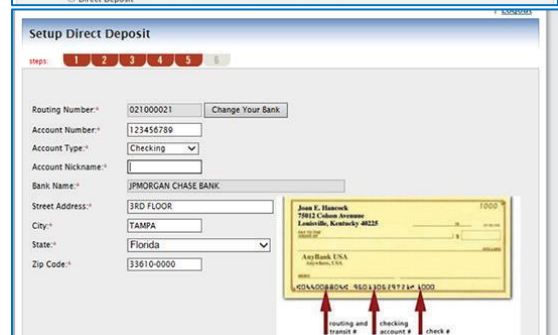
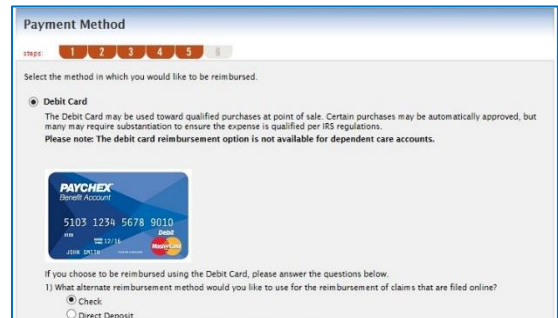
3. Verify your **Participant Profile** information. If you have or would like a Dependent Care plan, you can add a dependent by clicking **Yes** when asked, **"Do you have any dependents?"** Add the dependent.
4. Approve the plan rules. Again, this is not a substitute for the SPD, so please see your employer for detailed information. Check the boxes and click **Continue**.



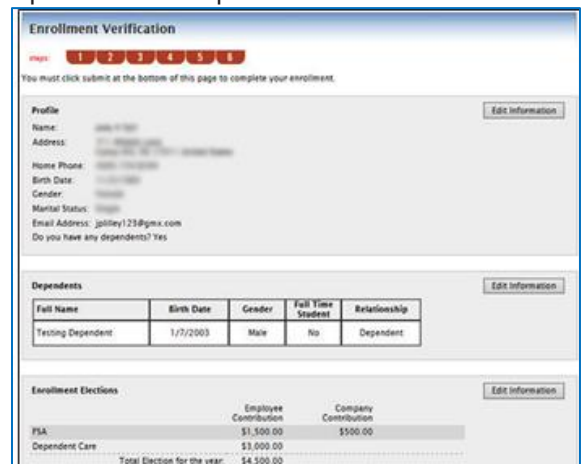
5. Enter your election amount(s) for the plans offered, click **Continue**.



6. Select **Check** or **Direct Deposit** for your secondary reimbursement method.



7. Verify your enrollment information, and click **Submit** if accurate. You can make updates until the close of the Open Enrollment period.



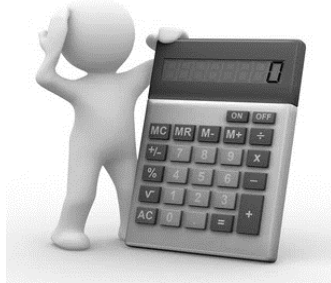
8. A confirmation message will display when you are finished.

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## How Much Should I Elect?

Use the Flexible Spending Account Deduction Worksheet at [www.paychexflex.com](http://www.paychexflex.com)\*, or our online calculator at <https://www.paychex.com/calculators/employee-fsa-calculator>, to calculate your eligible expenses and determine the per-pay-period FSA deduction amount.

Be sure to consider the maximum amount your employer allows for unreimbursed medical expenses (refer to the SPD). You should also consider any amount your employer is contributing toward the plan. The maximum household deduction allowed for dependent care expenses, per federal guidelines, is \$5,000. A “household” can be described as the total number of taxpayers (living as spouses as defined under federal law) who are filing tax returns either jointly or separately.



## Claims and Reimbursement

### Orthodontia

Use the Monthly Orthodontia Claim Form on the PBA Employee Website, under the Tools & Support tab, to submit claims for orthodontia reimbursement:



- **If you pay the orthodontia bill up front, you will be reimbursed in full up front.** You can elect to submit only one claim form for the total amount of orthodontia care (up to your annual election) as opposed to monthly amounts. You must submit an itemized receipt showing the payment and the date it was paid. This one-time submission option cannot cross plan years; payment date is considered the date of service.
- **If you pay the orthodontia bill in monthly installments, you will be reimbursed as services are incurred.** Your initial down payment will be reimbursed in full, and services will be allocated over the length of the contract. You have the option of monthly automatic reimbursements, using your debit card to pay for services each month, or submitting individual claim forms for reimbursement. The monthly installment option can cross plan years.

### Reimbursement Timing

Claims are processed within two business days of receipt; however, reimbursements may take more than two days to receive. You can monitor the claim status on the PBA Employee Website at [www.paychexflex.com](http://www.paychexflex.com)\*. If your claim is denied, or needs additional documentation, you will receive notification explaining the reason and/or need for additional documentation.

### End of Year Submissions

You have up to 90 days (“closeout period”) after the end of the plan year (December 31), or termination of your employment, to submit claims for reimbursement. Eligible expenses must be incurred during the plan year (up to and including your termination date) while you are an active participant.



Your FSA may have one of the following options:

- Your employer may offer a **grace period** up to, and including, March 15 of the following year to incur expenses that can be reimbursed from your prior year’s account. This applies only if you were an active participant on the last day of the plan year (December 31) and have a balance remaining in your prior year’s account. If a reimbursement received by March 31 is put “on hold” because we need additional documentation, you have until May 15 to submit the required documentation.
- Your employer may offer a **carry-over** of up to \$500 of unreimbursed medical expense funds from the current year to the following year. This allows you to incur expenses, up to and including December 31 of the following year, that can be reimbursed from your prior year’s account. This applies only if you were an active participant on the last day of the plan year (December 31) and have a balance remaining in your prior year’s account. If a reimbursement received by March 31 is put “on hold” because we need additional documentation, you have until May 15 to submit the required documentation.

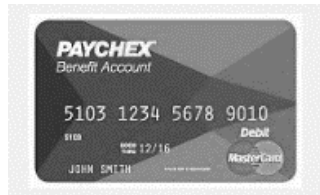
If you have a grace period or carryover option, submit reimbursement requests for services from the previous plan year before submitting claims for the current year.

All claims for services incurred on or before December 31 must be submitted by March 31 of the following calendar year. Unclaimed funds remaining in your account after the deadlines are forfeited to the plan and cannot be reimbursed.

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## FSA Debit Card

If offered by your employer, you can use the PBA Debit Card to pay for FSA-eligible items and services at point-of-sale rather than submitting a claim reimbursement request. You will receive a notification from Paychex if additional substantiation documentation is required; please respond to the notice promptly so your debit card remains active. To stay up-to-date about vendor card acceptance and accepting merchants, refer to [www.sig-is.org](http://www.sig-is.org). FSA debit cards will be denied for purchases of over-the-counter medicines and drugs other than insulin.



## FSA Direct Deposit

FSA direct deposit allows you to receive medical and dependent care claim reimbursement through direct deposit to your bank account.

## Termination

If your employment is terminated, you will have 90 days to submit receipts for expenses incurred on or prior to your termination date, or to submit documentation for claims that were placed on hold or required substantiation prior to your termination date.

## Can I Change My FSA Election?

Your FSA election cannot be changed during the plan year unless you experience a qualifying event as defined by law:

- Marriage or divorce
- Death of spouse or dependent
- Birth or adoption of a child
- Termination or start of spouse's employment
- Change in employment status from part-time to full-time or full-time to part-time for you or your spouse\*
- Unpaid leave of absence by you or your spouse
- Eligibility or ineligibility of Medicare/Medicaid
- Cost-motivated dependent care changes (for example, relative becomes available to watch child)

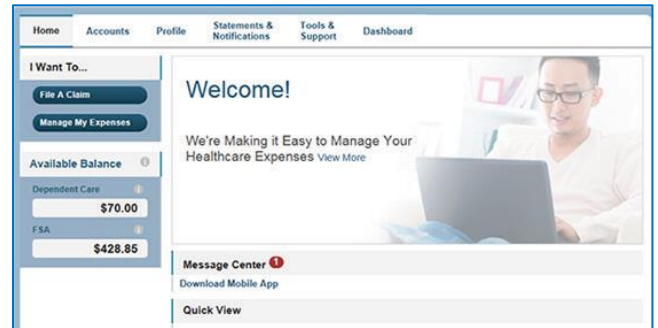


If a qualifying event has occurred, you must submit supporting documentation and enrollment modifications to your employer within 30 days of the event. Per federal regulations you cannot move money between your medical and dependent care accounts.

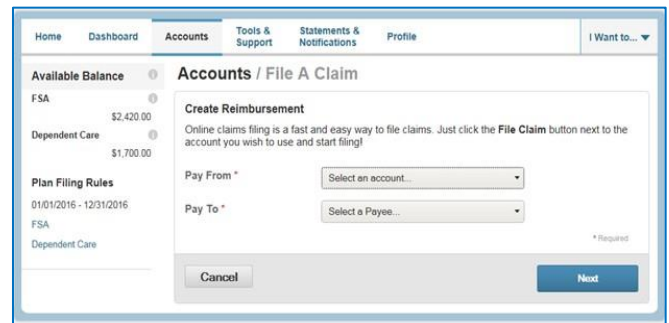
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## How Do I Submit a Claim?

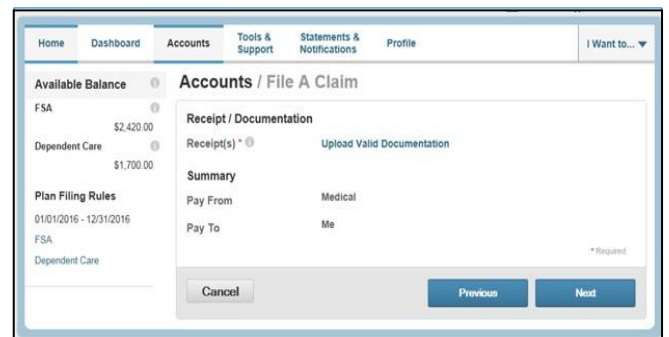
1. To submit a claim, log in to [www.paychexflex.com](http://www.paychexflex.com)\* and select **Benefits Account (FSA)**. From the menu saying, **I Want To...**, click the **File A Claim** button.



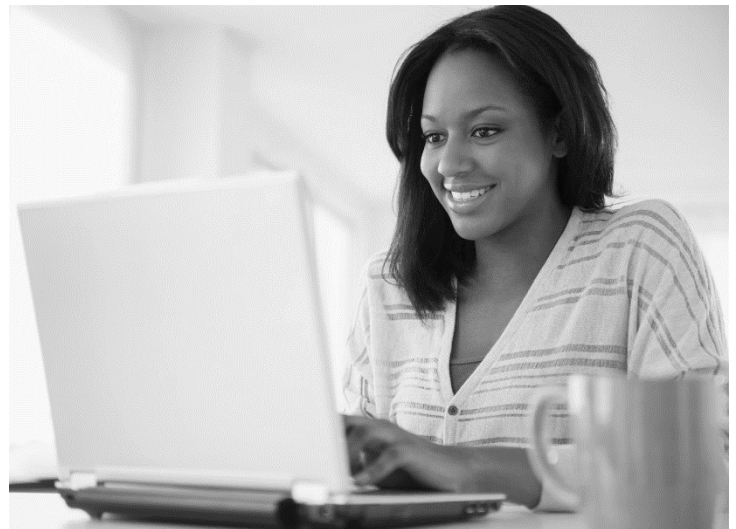
2. In the **Pay From** drop-down menu, select the account you'd like to be reimbursed from, and in the **Pay To** drop-down menu, choose **Me**.



3. Upload a **valid receipt** that is a .jpg, .gif, or .pdf file type no larger than 2MB. Be sure to include a receipt with the name of the service provider, date(s) of service, dollar amount of the service, and a description of the service provided. A prescription must be included for over-the-counter medicines and drugs other than insulin.



- Complete the required fields with details of your claim and click **Next**.



Home Dashboard Accounts Tools & Support Statements & Notifications Profile | I Want to...

Available Balance  
FSA \$2,420.00  
Dependent Care \$1,700.00

Plan Filing Rules  
01/01/2016 - 12/31/2016  
FSA  
Dependent Care

### Accounts / File A Claim

**Claim Details**

Start Date of Service \* mm/dd/yyyy

End Date of Service mm/dd/yyyy

Amount \* \$

Provider \*

Category \*

Type \*

Description

If the category is 'Other' or 'Over-the-Counter Drugs', you must provide a description.

Recipient \*  PBA Test  Little Kid

- Add another claim or click **Submit** to complete

Home Dashboard Accounts Tools & Support Statements & Notifications Profile | I Want to...

Available Balance  
FSA \$2,320.00  
Dependent Care \$1,700.00  
Balance reflects claims not yet submitted

### Accounts / Transaction Summary

Transaction Summary (1)

From	To	Expense	Amount	Approved Amount	
FSA	Mr	Dental Copay	\$100.00	\$100.00	Remove Update
Total Amount			\$100.00	\$100.00	

Cancel Save for Later Add Another Submit

- Review the Transaction Confirmation.

Home Dashboard Accounts Tools & Support Statements & Notifications Profile | I Want to...

Available Balance  
FSA \$2,320.00  
Dependent Care \$1,700.00

### Accounts / Transaction Confirmation

**Confirmation**

We will process your claim within two business days following the date we receive the required documentation from you.

**Successfully Submitted**

From	To	Amount	Approved Amount	Receipt Status
FSA	Mr	\$100.00	\$100.00	Upload Receipt Upload another Receipt
Total Approved Amount			\$100.00	

You can check your claim status by accessing the dashboard at any time

**Dashboard** View Non-Healthcare

Expense Summary Total Healthcare Expenses **\$180.75** Total Paid Expenses **\$71.15** Total Unpaid Expenses **\$109.60**

Total Eligible to Submit: **\$0.00**

Date	Expense	Recipient/Patient	Merchant/Provider	Submitted Amount	Status
02/17/2015	Pharmacy	Marcia Brown	Doctor	\$52.30	❌
02/05/2015	Pharmacy	SCOTT BROWN	-	\$26.15	⚠️
02/01/2015	Dental	SCOTT BROWN	Bright Smiles	\$52.30	❌

**Payment Details**

Claim Number: 543553021195000494 Date(s) of Service: 01/01/2015  
 Account: FSA Requested On: 01/15/2015  
 Expense Category: Dental Pending: \$52.30  
 Source: Online  
 Receipt Status: Unsubmitted  
 Upload Receipt(s) View Receipt(s)

01/09/2015	Medical	SCOTT BROWN	-	\$50.00	✅
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