

# FLEX SPENDING SAVES TAX DOLLARS


**NOW** is the time to make your decision regarding your Flexible Spending Plan? This plan lets you save money on taxes by paying certain premiums and health care out of pocket expenses with before-tax dollars. You do not have to participate in the Group Insurance Plan to participate in the Health Care Spending Account.

## INCLUDED ARE THE FOLLOWING

**Health Care Spending (3,000 Maximum \$300 Minimum)**

### **An Example of Savings**

Carefully estimate your eligible expenses, and you can save a lot of money. In this example, you're married with two children. You and your spouse have a combine income of \$45,000 per year and file a joint tax return. You estimate that you'll spend an additional \$3,000 out-of-pocket on a Health care FSA.

	 With Flexible Spending Accounts	Without Flexible Spending Accounts
Annual Income	\$45,000	\$45,000
Before-tax contributions to FSA's	(\$3,000)	(\$0)
Taxable Income	\$42,000	\$45,000
Estimated Federal Income & Social Security taxes	\$7,563	\$8,243
After-tax health care - FSA	\$0	\$3,000
Take-home pay	\$34,437	\$33,757
<b>Difference</b>	<b>\$680</b>	<b>(LIKE GETTING A PAY RAISE)</b>

**Saves you at least 22.65% for each dollar contributed!**

UNITED BENEFITS  
**FBMC**  
*proven benefit solutions*

## How Your Flex Accounts Work

You can choose to have money set aside in a Health Care Spending Account, a Dependent Care Spending Account, or both. By doing so, the amount of taxes you pay will go down and your net income will go up.







## Contribution Amounts

Your maximum contribution amount for the Health Care Spending Account is \$3,000 with a minimum of \$300.00 per year.

The amount you elect to contribute stays in effect until the end of the calendar year unless you experience a qualified status change. These changes are listed in your Summary Plan Description Booklet.

# Examples of Expenses Eligible for Reimbursement

## PARTIAL LIST OF ELIGIBLE HEALTH EXPENSES

Acupuncture 	Crutches	Over the counter drugs for illness or injury
Alcoholism and drug dependency treatment	Eyeglasses 	Oxygen
Ambulance transportation	Dental	Physical Therapy 
Amounts above reasonable and customary limits 	Guide Dog	Prescription drugs
Analysis (psychotherapy)	Health care equipment	Routine physical exams
Birth control pills	Hearing aids	Special Schooling
Car controls (handicapped)	Hospice care	Special equipment for the handicapped and disabled 
Christian Science practitioners	Hypnosis (for treatment of illness)	Sterilization
Cosmetic surgery (see below)* 	Laboratory fees	Surgery and x-ray fees
Contact lenses	Laetrile (vitamin B-17)	Vision care
Chiropractors	Laser Vision Surgery	Vaccinations and immunizations
	Optometrist	Medical Mileage @ 14 cents per mile

\*Only cosmetic surgery performed to correct a deformity related to congenital abnormality, injury, or disease are eligible through Flex.  
Other ineligible expenses include vitamins, health food store items, self-prescribed gyms, exercise equipment and private insurance premiums.

## How to Request Reimbursement directly or by 'AUTOMATIC CLAIMS SWEEPS'

- In the case of Health Care Spending Account, if you and your family are on the company health and dental plans, deductibles and co-insurance (% not paid by the plans) will automatically transfer (sweep) into the flex plan for reimbursement. No paper work for you at all.
- Other health care costs that are not covered by insurance such as ineligible medical, dental, vision, hearing, over the counter drugs, medical mileage and non-covered tax dependents can be immediately sent to flex for reimbursement. Fill out a **Flex Reimbursement Request Form** – and attach a proof of expense.
- Expenses must be incurred (service rendered) within the current flex plan year which is July 1 through June 30<sup>th</sup>, or "grace period of 2 ½ months September 15<sup>th</sup>, regardless of when it is paid.
- Health Care spending accounts are reimbursed using "uniform coverage rule" which states that full amount of the annual pledge is available at all times during the flex plan year.

**REQUESTS MUST BE RECEIVED BY WEDNESDAY NOON (est.) EACH WEEK**

800-323-4890 Opt. 5  
386-671-6013 FAX

FBMC -Ormond  
P O Box 730561  
Ormond Beach, FL 32173-0561

# List of Eligible OTC Categories

## Over-the-Counter Medicines and Drugs

Over-the-Counter items, medicines and drugs are now reimbursable through your Medical Expense FSA! You can save valuable tax dollars on certain categories of Over-the-Counter (OTC) items, medicines and drugs. You may be reimbursed for OTCs through your Medical Expense FSA if:

- the item, medicine or drug was used for a specific medical condition for you, your spouse and/or your dependent(s)
- the submitted receipt clearly states the purchase date and name of the item, medicine or drug
- the reimbursement request is for an expense allowed by your Medical Expense FSA and IRS regulations and
- You submit your reimbursement request in a timely and complete manner, already described in your benefits enrollment information.

**Note:** OTC items, medicines and drugs, including bulk purchases, must be used in the same plan year in which you claim reimbursement for their cost. Be sure to maintain sufficient documentation to submit receipts for reimbursement. You may resubmit a copy of your receipt from your records if a rejected OTC expense becomes eligible for reimbursement later in the same plan year.

<p><b>Eligible Expense Categories</b></p> <p><b>Allergy</b> Antihistamines Nasal sprays</p> <p><b>Antacids</b> Heartburn medicines</p> <p><b>Cold Remedies</b> Cough drops Decongestants Nasal strips Nasal sprays</p> <p>Sinus medications Throat lozenges</p> <p><b>Pain Relief</b> Bug bite medication Fever reducers First aid creams (diaper, fever blister, poison ivy) Menstrual cycle products for pain and cramp relief Products for muscle or joint pain Special ointments or creams for sunburn Topical creams</p>	<p><b>Other Medical Remedy Items</b></p> <p>Anti-diarrheals Anti-fungals Antibiotics Asthma medications Bandages, gauze pads, rubbing alcohol, liquid adhesives Carpel tunnel wrist supports Cold/hot packs for injuries Corn/callus removers Eye products (including reading glasses, contact lens cleaning solutions) First aid kits Hemorrhoid treatments Laxatives Motion sickness treatments Nicotine gum or patches for smoking cessation purposes Thermometers Wart removers</p>
<p><b>Items Requiring Special Documentation*</b></p> <p>Botanicals/herbals Feminine hygiene products Hormones Minerals Nasal sprays for snoring Sunscreens Vitamins Weight-loss drugs to treat a specific disease</p>	<p><b>Ineligible OTC Expenses</b></p> <p>Cosmetics Toiletries OTC items primarily for general health and well-being Health food herbs and supplements Vitamins for general health</p>

\* Contact FBMC United Benefits Division by e-mail at [clunt@united-benefits.com](mailto:clunt@united-benefits.com), or by calling 1-800-323-4890 or 386-676-5760 x 3034 for more information or to obtain a sample Letter of Medical Need, Personal Use Statement or Third-Party Appraisal Statement.