

## Debit Card Frequently Asked Questions University of Detroit Mercy 2017 PLAN YEAR

Understanding how your FSA Debit Card works will optimize your experience with your Flexible Spending Plan. If you have questions at any time, please contact your Human Resources Representative or Employee Benefit Concepts, Inc. a Group Resources® company. Throughout this Q & A we will be referring to Employee Benefit Concepts (EBC).

- **How does a (Flexible Spending) Debit Card work?** Your prepaid FSA Visa Debit Card can be used to pay for qualified medical expenses anywhere Visa is accepted. It is your responsibility, however, to ensure that your FSA Visa Debit Card is used only for “qualified” medical expenses.
- **What are qualified medical expenses?** Qualified expenses are expenses for medical services not covered by the health care plans: deductibles, prescription and physician co-pays, vision, dental, orthodontia, chiropractic, and acupuncture services are some examples.

**\*Effective January 1, 2011 IRS “eligible”** over-the-counter items include adult diapers, blood glucose monitors, and diabetic test strips and drugs and medication items prescribed by a doctor with a prescription.

On **September 3, 2010**, the IRS issued its initial guidance with respect to the new rule included in the PPACA that requires a doctor’s prescription for the reimbursement of over-the-counter (OTC) drug and medicines from a FSA. The guidance confirms the following:

- Participants will still be able to use their FSA for purchases of ALL OTC drugs and medicines, **as long as they have a doctor’s prescription.**
- The rule was effective January 1, 2011 and applies to purchases after January 1, 2011.
- The only acceptable forms of documentation for reimbursement for OTC drugs and medicines is a doctor’s prescription, as regulated by state law along with an acceptable receipt, or a receipt indicating the Rx number in addition to date purchased, purchaser, and amount.
- Insulin, medical devices (crutches, blood sugar monitors, ect.) and items such as bandages, contact lens solution, denture bond, etc. will not require a prescription.
- **What are ‘non-qualified’ medical expenses?** Typical examples of ‘non-qualified’ FSA medical expenses:
  - Cosmetic treatments (dental whitening, facial treatments) or cosmetic surgeries
  - Over-the-counter items purchased for general health and wellness
  - **Over-the-counter items purchased after December 31, 2010\***
- **Who verifies that purchases have been made of ‘qualified’ expenses?** It is the IRS guidelines along with the retailers IAS system that determines which purchases made using the Take Care Debit Card are eligible under IRS guidelines. Therefore, as with any FSA plan, it is important to retain copies of all medical receipts. If a purchase made with your FSA Debit Card needs to be verified a letter or an e-mail will be sent directly to you requesting a copy of the ‘pending’ debit card transaction receipt. You may also log in to the [www.myflexonline.com](http://www.myflexonline.com) web site and see if a receipt will be needed. A receipt can be mailed, faxed or scanned and emailed directly to EBC, along with a copy of the e-mail, letter request or the form that is available on the [www.myflexonline.com](http://www.myflexonline.com) web site so that EBC can adjudicate the ‘pending’ transaction.
- **Do all FSA Debit Card transactions require this verification process?** No. Common co-pay amounts for both prescription and medical visits will automatically be adjudicated and substantiated. Amounts that cannot be easily identified will require back-up documentation. Receipts are not required if you swipe your card at a No Receipt Retailer. A listing is available on the <http://takecareplans.com/ebcmichigan/>

Because the debit cards are smart enough to approve only qualified items, participants will not be asked to submit receipts for purchases made at these certified retailers.

Retailers that do not meet these requirements may not be able to accept flex benefit cards.

**Take care Partners retailer list is available on the [www.employeebenefitconcepts.com](http://www.employeebenefitconcepts.com) web site or**

A regularly updated list is on the SIGIS Merchant list located on <http://www.sig-is.org/en/resources/publications.asp> web site

- **What happens if I use the card to purchase a ‘non-qualified’ medical expense?** If it is determined that your FSA debit Card was used for the purchase of a ‘non-qualified’ medical expense, the amount of the ‘non-qualified’ purchase will have to be repaid to EBC and you will be charged a \$10.00 processing fee.
- **What is the advantage of using an FSA Debit Card if I still have to follow up with receipts in some instances?** The advantage to using an FSA Debit Card is that you are not taking money out of your pocket, or applying charges to a personal credit card to pay for your qualified medical services. No claim forms need to be filled out. Your FSA Debit Card can be used by your spouse or other eligible dependents. Example: your teen or adult child can use the Debit Card at your dentist or vision care providers’ office to pay for services that would otherwise have to be paid out-of-pocket.
- **What if my provider does not accept Visa?** Paper claims can always be submitted as an alternative. Using the FSA Debit Card to pay for expenses is optional.
- **Is there a fee for using the FSA Debit Card?** Yes, there is an annual service fee of \$15.00, which will be deducted from your FSA Account balance.
- **Do I need a new FSA Debit Card each year?** No. Debit Cards are now issued for a three- year period. If you have a current FSA Debit Card, please note the expiration date. If your card expires on December 31, 2016, you will need to follow the instructions below to order a new card. If the expiration date is not December 31, 2016, you only need to indicate on your FSA Enrollment Form your desire to continue to use the card service. If you do not indicate your desire to use the card service for the 2017 Plan Year or indicate that you no longer want the debit card service for 2017, your card will be cancelled on 12/31/16 and your FSA account will not be charged the \$15.00 annual service fee.
- **How do I request a debit card?** You may request a debit card online through the [www.myflexonline.com](http://www.myflexonline.com) website. When you are logged into your account, click on the blue “Card Center” tab at the top of the screen, the “Flex Benefits Card” tab in the drop down menu, and then the blue “Get Started” box at the bottom of the screen (you may need to scroll down depending on the size of your screen). Be sure to populate the fields with the name of the person for whom you are ordering the card. The card will come directly to your home in a plain white envelope via the US Postal Service within 7 to 10 business days.
- **Will I be able to use my card immediately?** Once new card(s) has been received activation will be required. Instructions are given with the new card(s).
- **If I just re-enrolled as a participant for 2017 can I use the card for both the old and the new plan year?** Any funds left on the 2016 plan year will be carried forward to your 2017 debit card for the next 2 ½ months of your new plan year, until March 15, 2017. After this extension, any funds left from the 2016 plan year will “fall off” of the debit card balance. If you have further expenses that you have incurred by March 15, 2017 and did not pay with the FSA Debit Card, you will need to submit claims manually by mail, fax, or scan and e-mail by March 31, 2017 in order to be reimbursed any balance in your 2016 Plan Year account.
- **If I have a suspended 2016 debit card account because of a balance due or an unsubstantiated debit card swipe can I use the debit card when the new Plan Year begins on January 1, 2017?** No. You will still need to submit the receipts required for the 2016 account.
- **What happens if my card is stolen or lost?** If your card has been lost or stolen, please call 1-866-679-7649 to report the card lost or stolen as soon as possible. A new card will be issued for you and if applicable, your dependent.
- **Can I order an additional card?** You may order additional cards on the [www.myflexonline.com](http://www.myflexonline.com) web site.
- **Can the debit card be used at my Daycare Center?** The debit card cannot be used at the Daycare Center.

If at any time you have any questions concerning the Take Care Debit Card please contact **Employee Benefit Concepts, Inc. a Group Resources® Company** at (248) 855-8040 or outside 248 area (800) 355-8040 or via email at [claims@employeebenefitconcepts.com](mailto:claims@employeebenefitconcepts.com).