

**Debit Card Frequently Asked Questions  
University of Detroit Mercy  
2012 PLAN YEAR**

Employee Benefit Concepts, Inc. manages the Flexible Spending Programs for the University of Detroit Mercy. 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. 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. However you should be able to purchase these items with your flex debit card, but you may need to purchase these items and submit a paper claim for reimbursement.

On Friday, **September 3, 2010**, the IRS issued its initial guidance with respect to the new rule included in the Affordable Care Act 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 IIAS 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/>

In July 2009, grocers and superstores with pharmacies and/or over-the-counter products must upgrade their point of sale system to be able to identify IRS qualified items from items that are not qualified. If they do not subscribe to the IRS Inventory Information Approval System (IIAS) flex debit cards will not be accepted. You will need to purchase the items with another form of payment and submit the receipts for reimbursement.

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, or placed on a personal credit card.
- **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 fee of \$25.00 for the debit card.
- **How do I request a debit card?** You may request a debit card when completing the enrollment form or you can order the card online through the [www.myflexonline.com](http://www.myflexonline.com) website. When you are logged in, you may request a debit card from the web site. Your card and spouse's card or eligible college student, if you order one, will come directly to your home in a plain white envelope in the mail within 7 to 10 business days. Initial cards can be ordered for you and your spouse if requested on the enrollment form or if you already have an old card you may log into your [www.myflexonline.com](http://www.myflexonline.com) web site and order your NEW card when prompted. The 2012 election must be processed before you will be able to order the new 2012 debit card.
- **Will I be able to use my card immediately?** Once the card has been received activation will occur at the time of your first swipe of the card but not before January 1, 2012 or your effective date whichever is later.
- **If I just re-enrolled as a participant for 2012 can I use the card for both the old and the new plan year?** Your old debit card will expire on the last day of the 2011 plan year, December 31, 2011. Any funds left on the 2011 plan year will be carried forward to your 2012 debit card for the next 2 ½ months of your new plan year, until March 15, 2012. After this extension any funds left from the 2011 plan year will "fall off" and will only be available for the balance of the month the extension applies, March 31, 2012 and are only available on a paper claim reimbursement. You will need to submit claims manually by mail, fax, or scan and e-mail by March 31, 2012.
- **If I have a suspended 2011 debit card because of a balance due or an unsubstantiated debit card swipe can I use the 2012 debit card immediately?** No. You will still need to submit the receipts required for the 2011 debit card in order for the 2012 debit card to be ordered or used.
- **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.** at (248) 855-8040 or outside 248 area (800) 355-8040 or email [claims@employeebenefitconcepts.com](mailto:claims@employeebenefitconcepts.com)