



## Enroll in a Flexible Spending Plan

Pay your eligible medical and dependent daycare expenses with pre-tax dollars and the swipe of the MGIS Benefits Purchasing Card

### WHAT ARE FLEXIBLE SPENDING ACCOUNTS?

Flexible Spending Accounts (FSAs) are IRS-regulated plans that allow you to put a portion of your income on a pre-tax basis into an account to pay for certain medical, dental, and other healthcare expenses not otherwise covered by your health insurance. You will experience significant savings because you are not taxed on money paid for your eligible expenses. Depending on your tax bracket, you can save up to 40% on every plan dollar spent.

### WHAT IS A HEALTHCARE REIMBURSEMENT ACCOUNT (HCRA)?

A HCRA plan allows you to set aside pre-tax dollars from your salary to pay for qualifying medical expenses not normally covered by your insurance. Examples of eligible expenses include the cost for a co-pays, prescriptions, or over-the-counter medications.

### HOW YOUR HCRA WORKS

You will have access to your entire elected amount once your plan is activated, allowing you to pay for services even before you have money deducted from your pay. For example, if your annual election is \$1200, you would have \$100 deducted from your pay each month and deposited in your HCRA. If in March, you decide to have Lasik eye surgery with a cost of \$1000, you can pay for it with your HCRA funds, even though only \$300 has been deducted from your pay. Please note: IRS guidelines state that any funds left in your account at the end of the plan year will be forfeited to the plan sponsor.

### WHAT IS A DEPENDENT CARE REIMBURSEMENT ACCOUNT (DCRA)?

A DCRA plan allows you to set aside pre-tax dollars from your salary to pay for qualifying child and dependent care expenses. Examples of eligible expenses include the cost for a baby-sitter, a licensed daycare center, or nursery school. Participating in a DCRA plan will typically save you more money than taking the dependent care tax credit on your tax return.

### HOW YOUR DCRA WORKS

After estimating your dependent care expenses for the year, you decide how much to set aside for your DCRA. Your employer will deduct these funds from each paycheck (before taxes) and put them in a Dependent Care Flexible Spending Account. You may set aside up to \$5,000 per year (if single, or married and filing jointly) or \$2,500 per year if you are married and filing a separate tax return. You will only have access to the amount of money you have deposited in your account year-to-date.

Great Tax Savings.	Without a Flex Plan	With a Flex Plan
<b>Annual Income</b>	\$40,000	\$40,000
<b>Contribution to Account</b> (before taxes)	\$0	\$2,000
<b>Taxes Paid</b> (estimated at 35%)	\$14,000	\$13,300
<b>Estimate your possible tax savings with an HCRA or DCRA. Log on to <a href="http://www.We-R-CDH.com">www.We-R-CDH.com</a> and use the MGIS FlexCDH Calculator.</b>		
<b>After-Tax Income</b>	\$26,000	\$26,700
<b>Increase in Annual After-Tax Income</b>		\$700

### THE MGIS BENEFITS PURCHASING CARD SAVES YOU TIME AND MONEY

MGIS enhances your HCRA and DCRA plans by offering the MGIS Benefits Purchasing Card. Instead of paying out-of-pocket for an eligible expense at the point of service, you can use this debit card the same way you would use a normal credit card, except the money is debited out of your pre-tax spending or savings account.

Eligible expenses will be deducted automatically from your account. There are no out-of-pocket expenses at the point of service, and there's no need to file a paper claim or wait days or weeks for reimbursement.

If your service provider does not accept Visa® or MasterCard®, you have the option of paying for the service and then submitting a manual Medical



## CONSUMER-DIRECTED HEALTHCARE

Reimbursement Request Form and/or a Dependent Daycare Reimbursement Request Form to MGIS. These forms are available at [www.We-R-CDH.com](http://www.We-R-CDH.com).

### WHAT ARE COMMON ELIGIBLE EXPENSES?

**Eligible expenses in an HCRA** may include co-payments, deductibles, prescription drugs, certain over-the-counter medications, eyeglasses/contacts, and much more. The general requirement established by the IRS is that the expense must be necessary to alleviate a physical defect or for prevention of illness.

Services performed solely for cosmetic reasons are generally not eligible. Expenses merely beneficial to one's general health (i.e., various vitamins or supplements) are not eligible. Expenses paid by insurance are not eligible. You should review your plan for details.

**Eligible Expenses in a DCRA** may include care for a qualifying dependent (someone under age 13, or a spouse or dependents over 13 who are physically or mentally incapable of caring for themselves and for which you are eligible to take an exemption); pre-school or nursery school, etc. For a list of common eligible expenses, visit our website. For details on what is covered by your company's plan, refer to your specific plan document.

### HOW DO YOU PARTICIPATE?

**HCRA.** During your annual open enrollment period, you should estimate your medical, dental, and vision expenses you and your dependent(s) may incur during the Plan Year. The worksheet available on our website can help you estimate your expenses. Enter the amount you want to set aside before taxes on the Election Form. You will have access to the full election amount on the effective date of the Plan Year, regardless of the amount you have contributed at the time of claim.

**DCRA.** Determine the amount you will pay for care of your dependent(s) for the Plan Year and elect that amount. You will have access only to the amount contributed into the account at time of reimbursement request. Each pay period, your employer will deduct your elected amount from your paycheck and credit your account.

### HELPFUL HINTS

**Be conservative.** Estimate your elections conservatively because the IRS guidelines state that any funds left in your account at the end of the plan year will be forfeited to the plan sponsor.

**Save receipts.** Keep all of your receipts because you may be required to submit them to substantiate your

claim. If you are unable to submit a receipt upon request, your claim may be deemed ineligible.

**Submit a claim.** If you need to submit a claim manually, complete the claim form, and copies of itemized receipt(s) with your name on it, and fax it to [801-990-0212](tel:801-990-0212). Keep a copy for your records.

**Incur expenses during your plan year.** Expenses must be incurred during the current plan year. If you are billed after the close of the plan year for expenses incurred during the plan year, you may still be reimbursed for that service. Your plan may have a 30-day run-out period and a 75-day grace period for services incurred during that plan year.

**Report a missing card.** When you notify MGIS that your card has been lost or stolen, it will be deactivated. Make sure you do not attempt to use your old card once you have reported it missing because it will not work.

**Watch your balance.** Your card can only be swiped for the amount available in your account. The amount available in your HCRA is the total allotted for the year, minus any expenses you've already incurred. The amount available in your DCRA plan is the total you have deposited in your account year-to-date, minus any expenses you've already incurred.

If you try to use your card for more than the available amount, your transaction will be denied. However, you can instruct your provider to swipe the card for the balance in your account, and then you can pay the remaining balance.

**Call MGIS.** If your card doesn't work, it may be because your provider is not using a correct Merchant Category Code (MCC) for the card. If your transaction fails more than twice, please call MGIS at 1-866-937-3539.

### MGIS TAKES CARE OF ALL THE DETAILS

Behind the scenes, MGIS monitors your transactions to ensure compliance and provides accurate, periodic on-demand reporting to your employer. You may also monitor your accounts at any time by using convenient online access to your HCRA or DCRA accounts.

Additionally, MGIS service representatives are available toll-free to help during regular business hours. Please call MGIS at 1-866-937-3539. To check your account balance 24/7, visit our website at [www.We-R-CDH.com](http://www.We-R-CDH.com), or call 1-866-937-3539.



# HCRA / DCRA FLEXIBLE BENEFITS PLAN ELECTION FORM (FOR MEDICAL AND DEPENDENT DAYCARE FSA ELECTIONS)

To enroll, complete the following information, sign the form and return it to your Human Resources Representative.

PLEASE PRINT OR TYPE

PLAN INFORMATION	
GROUP/EMPLOYER NAME: _____	PLAN YEAR: _____

EMPLOYEE INFORMATION					
NAME _____		DATE OF HIRE <i>(Required)</i> _____		SOCIAL SECURITY NUMBER _____	
LAST	FIRST	MI	MMDDYY		
HOME ADDRESS _____					
NUMBER AND STREET _____			CITY _____	STATE _____	ZIP CODE _____
DATE OF BIRTH	E-MAIL ADDRESS	PHONE NUMBER	GENDER	LOCATION/DEPARTMENT	
MMDDYY	_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	
PARTICIPANT'S EFFECTIVE PLAN DATE _____			DATE OF FIRST PAYROLL DEDUCTION _____		
<small>(Only if different than beginning of Plan Year shown above)</small>			<small>MMDDYY</small>		

ELECTION INFORMATION					
I understand that the rules of the Internal Revenue Code allow me to use part of my salary on a pre-tax basis to purchase one or more of the following qualified benefits. I hereby elect to participate in my employer's Flexible Benefits Plan as indicated below.					
PLEASE CHECK YOUR ELECTION(S) AND FILL IN AMOUNT IF APPLICABLE					
	BENEFIT ELECTION OPTIONS	ELECTION	DEDUCTION		
OPTION I	<b>HEALTHCARE REIMBURSEMENT ACCOUNT (HCRA)</b> You can elect up to the maximum amount as designated by your employer's Plan.	YES <input type="checkbox"/> NO <input type="checkbox"/>	\$ _____ <small>PER PAY PERIOD</small>	NO. OF PAYCHECKS <small>(i.e., 12, 26, etc.)</small>	\$ _____ <small>ANNUAL</small>
OPTION II	<b>DEPENDENT CARE REIMBURSEMENT ACCOUNT (DCRA)</b> Maximum of \$5,000 per Plan Year if single parent or if married and filing a joint Tax Return. Maximum of \$2,500 if married and filing separately.	YES <input type="checkbox"/> NO <input type="checkbox"/>	\$ _____ <small>PER PAY PERIOD</small>	NO. OF PAYCHECKS <small>(i.e., 12, 26, etc.)</small>	\$ _____ <small>ANNUAL</small>

PARTICIPANT ELECTION AUTHORIZATION	
I have reviewed and understand the terms and conditions on the back of this page and in my company's Summary Plan Description. I understand that I can not change or revoke this election at any time during the Plan Year unless I have a Qualifying Life Event change allowed by my employer (As determined in the plan document and allowed by the IRS). I further acknowledge that I am responsible for keeping all receipts verifying all eligible expenses claimed under the MGIS Benefits Purchasing card and must submit such receipts to MGIS for claims substantiation upon request.	
<b>CHOOSE ONE:</b> <input type="checkbox"/> YES, the benefits of this Plan have been explained to me and I elect to participate as indicated above. I have read the disclosure on the back of this form and hereby agree to the terms of the disclosure by signing this form. <input type="checkbox"/> NO, I do not want to participate in an HCRA or DCA at this time, but I understand that I will automatically be enrolled in a PCA/POP. I further understand that I will not have another opportunity to enroll in an HCRA or DCA until the next Open Enrollment period unless I have a Qualifying Life Event change.	
<b>OPTIONAL:</b> <input type="checkbox"/> I would like to request an additional card for my spouse or tax dependent. (NOTE: If you already have a card for your spouse or tax dependent, there is no need to request an additional card.)	
ADDITIONAL CARDHOLDER NAME _____ DATE OF BIRTH _____ SOC. SEC # _____	
PARTICIPANT'S SIGNATURE	DATE
HR's SIGNATURE	DATE

SERVICED BY MGIS

## TERMS AND CONDITIONS

**Qualifying Medical Care and Dependent Care Expenses:** I understand that reimbursement will be available only for "qualifying medical care expenses" as determined by my company's plan. These expenses must be incurred while I am enrolled in the Plan. I agree to notify the Plan Sponsor or MGIS if I have reason to believe that any expense for which I have obtained reimbursement is not a qualifying expense. I also agree to repay the Plan on demand by way of check or payroll deduction for any expense that is not allowed. If any legal or collection action is necessary to recover funds that should have been repaid to the Plan, I agree to reimburse the plan for any and all expenses, including legal fees, incurred in seeking reimbursement. I attest that I understand claimed medical expenses can not be reimbursed under the Healthcare FSA Plan if the expense has been or will be paid in the future by any other plan and **acknowledge that the medical expenses have not been reimbursed or are not reimbursable under any other insurance plan coverage.** I further acknowledge that I am responsible for keeping all receipts verifying all eligible expenses claimed under the Plan and must submit such receipts to MGIS for claims substantiation, upon request.

**Participation Rules:** I understand that reimbursement account eligibility, enrollment and benefits information is available from my Plan Sponsor. I authorize payroll deductions for the benefit elections indicated on this Election Form. I understand that I cannot change or revoke this compensation reduction agreement at any time during the Plan Year except for the occurrence of a Qualifying Event as defined by the Plan. In the case of a Qualifying Event, I must complete a Change Form no later than 30 days after the date the Qualifying Event occurs if I want to enroll in a reimbursement account or change my reimbursement account elections or amounts. Any amounts remaining in the account(s) represented by this Election Form at the end of the Plan Year, past the claims filing limit, will be forfeited to the Plan under the guidelines of the Internal Revenue Code.

THIS AGREEMENT IS SUBJECT TO THE TERMS OF THE PLAN SPONSOR'S CAFETERIA PLAN, MEDICAL REIMBURSEMENT PLAN, AND/OR DEPENDENT CARE ASSISTANCE PLAN AS AMENDED FROM TIME TO TIME IN EFFECT, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH APPLICABLE LAWS, SHALL TAKE EFFECT AS A SEALED INSTRUMENT UNDER APPLICABLE LAWS, AND REVOKES ANY PRIOR ELECTION AND COMPENSATION REDUCTION AGREEMENT RELATING TO SUCH PLAN(S).

## AUTHORIZATION

**I authorize the use and disclosure of my protected health information as described below.**

My protected health information is individually identifiable health information, including demographic information, collected from me or created or received by a healthcare provider, a health plan, my employer, or a healthcare clearinghouse and that relates to: (i) my past, present, or future physical or mental health or condition; (ii) the provision of healthcare to me; or (iii) the past, present, or future payment for the provision of healthcare to me.

Medical Group Insurance Services, Inc. (MGIS) is authorized to use or disclose my protected health information for the purpose of administering my \$125 account. **I further authorize MGIS to release my protected health information to my spouse and/or my tax dependent(s). I understand that I may decline disclosure of my protected health information (to my spouse and/or tax dependent/s) by submitting a written notification to MGIS.**

All protected health information pertaining to the reimbursement of a \$125 claim may be used and disclosed by MGIS.

I understand that I may revoke this authorization at any time by sending a written notification to MGIS, and this revocation will be effective for future uses and disclosures of protected health information. However, I further understand that this revocation will not be effective: (i) for information that MGIS already has used or disclosed, relying on this authorization or (ii) if the authorization was obtained as a condition for coverage by MGIS and, by law, MGIS has a right to contest the coverage.

I understand that this authorization expires upon termination of my employer's plan.



## The We-R-CDH Website

Check your account balance 24 hours a day. Find answers to frequently asked questions. Learn what expenses are eligible for reimbursement under the plan. And download the forms you need. The [www.We-R-CDH.com](http://www.We-R-CDH.com) website is designed to keep you informed.

### VISIT THE WEBSITE

Visit [www.We-R-CDH.com](http://www.We-R-CDH.com) to access helpful Flex resources and learn more about Flex!

### ENHANCED SYSTEM EMPLOYEE LOGIN

As this system is new to everyone, both new and existing participants should follow this initial process to begin accessing the powerful online system:

- Visit [www.we-r-cdh.com](http://www.we-r-cdh.com) and click on the LOGIN link
- Please choose the New User Registration menu option to create your User ID and password if this is the first time you have accessed your on line account. You will be prompted through the following steps:
  - Enter your Social Security Number (SSN)
  - Enter your Date of Birth and Zip Code
  - Choose to create your new User ID

Enter your email address, create and enter a password and choose a Security Question to which you will provide an answer. Your Security Question is used to help identify you in the case you forget your password.

- Enter your User ID and Password to access your account. Your User ID typically defaults to your Social Security Number (SSN) but can be a unique ID that you create. If your user ID defaults to your Social Security Number you should change this on your first login.

Your Password will be created by you the first time you register. Your Password may be letters, numbers or a combination of both. You may not use sequential ordering (e.g. 1234, ABCD), repeat numbers or letters. The length is limited to a minimum of 6 and a maximum of 12 characters. Please do not use your Social Security Number or Date of Birth as your password. Example:

User ID  
123-45-6789 or 123456789  
Password  
1a24Cb3E or John4356

### HELPFUL HINTS

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**Save receipts.** Keep all of your receipts because you may be required to submit them to substantiate your claim. If you are unable to submit a receipt upon request, your claim may be deemed ineligible.

**Submit a claim.** If you need to submit a claim manually, complete the claim form, attach the itemized receipt(s) with your name on it, and submit it to MGIS at P.O. Box 16110, Salt Lake City, Utah 84116-0110, or fax it to 801-990-0212. Keep a copy for your records.

**Incur expenses during your plan year.** Expenses must be incurred during the current plan year. If you are billed after the close of the plan year for expenses incurred during the plan year, you may still be reimbursed for that service. Your plan may have a 30-day run-out period and a 75-day grace period for services incurred during that plan year.

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## Direct Deposit Facts

Our robust online services include the ability to quickly and effortlessly set up your direct deposit account. Once logged into your account online, you can easily set up your direct deposit with just a few clicks.

### FAST

Your money should be deposited in your account within 48 business hours after your claim is processed. (Checks can take up to 10 days).

### SECURE

The Automated Clearing House (ACH) system is a secure, private network.

### CONVENIENT

- No trips to the bank to deposit a check
- No check-cashing fees.
- You will not have to worry about lost or stolen checks.
- Even if you are sick or on vacation, you can be sure that your reimbursement will be deposited into your account, safe and ready to use.
- ACH transactions are returned at a lower rate than checks.
- There were nearly 14 billion ACH payments made in 2005– 4.4 billion of those were direct deposits.
- 97% of those who use Direct Deposit are satisfied.
- You sign up for Direct Deposit only once.

### QUESTIONS YOU MAY HAVE...

#### How do I set up my account for direct deposit?

- Visit [www.WE-R-CDH.com](http://www.WE-R-CDH.com) and click on the "LOGIN" link on the top menu.
- Login with your User ID and Pass
- In your PERSONAL INFORMATION box, click "Details" Find "Your ACH" and click EDIT (on the right of the gray bar)
- Fill out all required information and submit the form.

*Your Direct Deposit process is now pending and should be active in 15 days from submission.*

#### Do I have to use a certain financial institution to participate in Direct Deposit?

Any institution in the United States that is a member of the ACH network can be used.

#### What should I do if I change financial institutions?

If your account is changing or has been closed, please let us know as soon as possible. You must complete a new Direct Deposit application with new account information.

#### Why do you ask for a voided check when I sign up for Direct Deposit?

We need the financial institution identification number (also known as the routing and transit number) as well as the account number that appears on checks. The voided check ensures the information is correct.

#### Does using Direct Deposit cost me any money?

No. In fact, your financial institution may offer free checking for using Direct Deposit.

### VISIT THE WEBSITE

Visit [www.We-R-CDH.com](http://www.We-R-CDH.com) to access helpful Flex resources and learn more about Flex!

- Check your account balance 24 hours a day
- Find answers to frequently asked questions
- Learn what expenses are eligible for reimbursement under the Plan
- Download the forms you need

**If you have any questions or do not have access to the Internet, please contact MGIS at 1.866.937.3539**