

2024 HEALTH CARE FSA PROGRAM WITH PAYFLEX (AETNA)

Whether you are newly enrolling for 2024 or re-enrolling for 2024, you'll find the information here very helpful in understanding your FSA plan and the tools and resources available to more effectively manage your FSA account.

Please note: The maximum annual contribution amount for 2024 for a Health Care FSA is \$3,200 and for Dependent Care FSA, is \$5,000.

OPEN ENROLLMENT & DEBIT CARDS:

If you are enrolling in the Health Care FSA for the first time, you will receive one debit card that can be used as credit or debit for eligible healthcare expenses. This debit card includes the Millennium Trust Company and PayFlex logos on the front of the card and the card holder's information on the back. The PayFlex card carrier includes easy-to-follow instructions that describe how to activate the card, how to set up your account online, how to download the PayFlex Mobile app, etc.

During the card activation process, you'll be provided with instructions on how to change the Personal Identification Number (PIN). To use your card, simply swipe and select either "debit" or "credit." Some merchants may ask you to select "debit." This means you will need to enter the PIN. The debit card will NOT be active until January 1, 2024, and will remain active while you are enrolled in the Health Care FSA, up to 5 years. Participants that are re-enrolling for the 2024 Plan year will have their current FSA debit card re-loaded with their 2024 payroll deferral amount effective January 1, 2024.

Below are a few Frequently Asked Questions (FAQ's) about debit cards:

How many debit cards will I receive after I've enrolled in the Health Care FSA plan?

All Health Care FSA participants will receive one debit card once enrolled and this card is good for up to 5 years of consecutive enrollment in the Health Care FSA. If necessary, you can go online and request additional debit cards. You will need to provide each family member name that you are ordering a card for. They will use the same PIN and they won't need to activate their new card. If you have questions, you can contact PayFlex Customer Service at 1-800-416-7053.

What if I lose my FSA debit card?

Just like any other debit or credit card, you will need to report the lost/stolen card immediately and a new card will be issued. You may call PayFlex Customer Service at 1-800-416-7053.

Can I use my debit card for dependent care FSA expenses?

No, only eligible healthcare FSA expenses are authorized for debit card use.

MEMBER WEBSITE:

If you are newly enrolled, once you have received your PayFlex debit card, you should access the member website by going to www.payflex.com and select **Sign In** and **Create Your Profile**. You'll need your PayFlex debit card in order to establish your online account access. If you are enrolled in an Aetna medical or dental plan, you will be able to link to this member website when signed into the Aetna Member Website.

On this website, you can:

- View real-time FSA account information
- Submit claims for reimbursement
- Order debit cards for spouse/dependents
- View listing of eligible expenses
- Read News You Can Use articles- legislative changes, account-specific updates and quick tips
- View and customize account alerts- web and email

MOBILEAPPS:

If you have an iPhone® or Android™ smartphone, you can also install the PayFlex Mobile App. With this app, you can stay connected anytime, anywhere. Features include:

- Account Alerts - Receive notifications related to account status and actions needed to keep your account active.
- Account Activity-Access real-time FSA data including account balances, claims processed and transaction details.
- Claims Submission - Submit claims for reimbursement wherever and whenever and even substantiate (i.e., verify) a debit card transaction. Use phone camera to take a picture of your receipt and upload to file a claim
- Benefit Plan Details -Access relevant health plan information to make informed decisions at the time of service.

FILING CLAIMS WHEN USING YOUR DEBIT CARD:

Do I have to file a claim when using my debit card?

When you use your PayFlex debit card for Aetna copays which include medical office visit (PCP or Specialist), urgent care and walk-in clinic copays, PayFlex will be able to substantiate (i.e., verify) that the card transaction was used for an eligible expense and won't request documentation from you. This is because your FSA plan recognizes these "flat" or "set" dollar amounts. When you use your debit card to pay for pharmacy scripts at pharmacies, your claim will be automatically substantiated for any location that is an IAS certified merchant. Nearly all pharmacies are IAS certified merchants, but a few may not be.

When using your debit card to pay for things that are not "set" or "flat" dollar amounts or because you have medical coverage with another company, you may receive a request from PayFlex to provide documentation. The best type of documentation to provide is the Explanation of Benefits (EOB) from your insurance company, or if an EOB isn't available, to send an itemized statement for the purchases made with the debit card. Examples of these charges are medical deductible and coinsurance not reimbursed by a medical plan, as well as covered dental and vision expenses. This requirement is called "substantiation". Substantiation is the process of providing the detailed statement for the purchase, to support that the charges to the debit card are FSA eligible.

*** What kind of details do I need on my EOB or itemized statement?**

You can send us an EOB as that is the most detailed type of receipt for an FSA expense.

- Explanation of Benefits (EOB) from your insurance company provides to us the information that we would need to verify that the expense(s) are eligible.
- If you don't have your EOB, you may be able to download it from your insurance company's website, or you can send us an itemized statement.
- Be sure you send an EOB for each expense and include all of the pages for each EOB. Also, make sure it shows the "final" amount you owe. We can't accept an "estimated" or "pending" amount due, even if it has already been paid to the provider.

Please do not highlight. It makes faxed and scanned copies hard to read. **Please do not send a copy of the debit card receipt from a provider or merchant as this does not have the necessary information required by the IRS.**

Your documentation (EOB or itemized statement) must show all of the following:

- Patient's Name
- Provider Name
- Date of Service (**Not Date of Payment**)
- Type or description of service (diagnosis codes are acceptable)
- Your Cost, which is the final amount you owe after any discounts or insurance payments are fully applied.

If not filed to insurance, write the following on your itemized statement before submitting:

- 1) Notate **"Not Submitted to Insurance"**,
- 2) Sign your name as attestation of no insurance involved.

Other considerations when using your Health Care FSA debit card:

Many times, often at dental or vision providers, you make a payment based on estimated costs before any insurance is applied. For these situations, you can choose to not use your FSA debit card at the time of service (i.e., use another method of payment) and wait to file the FSA claim with PayFlex, once you have your final EOB (which will show the amount you owe after insurance).

If you choose to use your FSA debit card at the time of service, and the amount of that transaction is less than or equal to what your itemized EOB or finalized receipt/statement shows as your patient responsibility, the substantiation (i.e. documentation) will be accepted and will "verify" that the debit card transaction was used for qualified expenses.

However, if you choose to use your debit card at the time of service, and later when you provide the requested documentation, the amount of that card transaction is more than what your itemized EOB or finalized statement show as your cost (i.e. patient responsibility), your PayFlex Health Care FSA will reflect an overpayment. The substantiation provided will be used to verify the portion of your debit card transaction that you were responsible for, and the difference remaining will show as an overpayment. At that time your PayFlex debit card will be temporarily inactivated, until the overpayment is cleared.

The simplest way to clear an overpayment made to a provider with your PayFlex FSA debit card (if you paid based on estimated insurance) is to contact the provider's office and request that they credit your PayFlex debit card for the amount you were overcharged based on the EOB. If needed, you may reference the amount your EOB shows as your patient responsibility after the claim was filed with insurance and the insurance payment and adjustments were applied. Once the "overpayment" funds are credited back to your FSA, the overpayment will clear and your PayFlex debit card will be reactivated. However, if the provider indicates that they can't credit your debit card and instead will carry the credit on your patient account, you have a couple of other ways you can clear an overpayment on your FSA. You can provide documentation to PayFlex for another eligible expense that is equal to or greater than the "overpayment", provided you have not used your PayFlex debit card to pay for this expense. PayFlex will use the submitted eligible expense to clear the overpayment and if the submitted expense was higher than your overpayment, PayFlex will reimburse you for the difference. If you don't have another eligible expense, you have the option to repay your FSA by either depositing the overpayment amount to your FSA (if you have a linked bank account) or by mailing a check to PayFlex, which will credit your account and increase your available funds.

How do I file a claim or "substantiate"?

Substantiation can be easy! You can file a claim via the member website (www.payflex.com), mobile app, fax or mail.

- o The FAX number to file a claim is: 888-238-3539
- o The mailing address to file a claim is
PayFlex Systems USA, Inc.
Flex Department
P.O. Box 2495
Omaha, NE 68103
- You can set up electronic notifications via email, text messaging and web alerts (standard text message charges apply based on each person's cellular plan details). These messages remind you to substantiate the debit card transactions by providing a copy of the itemized statement.
- Substantiation Message Alerts will be in red at the top of the Dashboard screen whenever you log into the member website.
- Using the smartphone app, if available, you can file your claim by taking a photo of the itemized statement and uploading the photo to file the claim.
- If you are a participant overseas your FAX number is the same: 888-238-3539

What happens if I don't send in the receipt or upload documentation for a debit card transaction that requires substantiation?

Please note that your debit card will be "frozen" if you do not substantiate expenses within the requested timeframe. You will receive a letter from PayFlex advising that you have debit card transaction(s) which require documentation to verify the expense(s) were eligible per IRS guidelines. The letter will explain what you can provide for documentation and request a response within 21 days. If no response is received to the first letter, a second letter will be sent 28 days after the first was issued. A third and final letter is mailed 28 days after the second letter, alerting you that you were sent two notices, and because you didn't respond (or the documentation provided didn't verify your transactions were eligible), that your card has been temporarily inactivated. Once all documentation is provided for the transactions requiring substantiation, your debit card will be re-activated.

What happens if I never submit substantiation?

The debit card charges that require substantiation will be considered an overpayment and future Health Care FSA claim reimbursement requests may be reduced by that amount. If there are no future claims to offset the overpayment, the unsubstantiated charges will be considered taxable income for the plan year and will be included on your W2 form in the following year. Your debit card will remain suspended if you don't substantiate the charges. All claims for FSA reimbursement will need to be made via claim form (either online or using a paper form), since your debit card has been suspended.

All substantiation must be submitted no later than February 15th following the end of the Plan year to avoid being deemed a taxable distribution and being included on your W2.

If I don't substantiate charges and I enroll in the Health Care FSA plan the next year will my card be re-activated for the new Plan year?

No. Although your election amount for the new year will be loaded on your debit card, you'll need to substantiate outstanding debit card charges before your debit card will be re-activated. You will still be able to file claims online or by using a paper claim form and receive reimbursement for eligible expenses for the new plan year.

When I'm getting my script at the pharmacy, can I use my debit card for a candy bar, shampoo and a magazine too?

No. Your debit card will process only the price of the script when you swipe it and the amount due for the non-FSA eligible items will still show as due. You'll have to pay for that amount separately. Your receipt from the pharmacy should detail the eligible Health Care FSA expenses and amount charged to your PayFlex debit card.

I'm an OCONUS employee so I live overseas but I have elected the Health Care FSA. Will the debit card work in the country I live in?

That depends. FSA debit cards are limited to specific merchant category codes for health care only. Other countries do not use IAS restricted coding and therefore cards should not work at overseas pharmacies. We have found that medical services on the card only work in some countries. If it does work for you in your country, you will need to substantiate (i.e., provide documentation) for the debit card transaction. You will receive a letter from PayFlex letting you know that documentation is needed to verify your PayFlex card purchase.

Keep the phone app in mind for an easy and quick way to upload your documentation by sending a photo of the itemized statement/EOB.

Also, you can set up payment options on your Health Care FSA account as Pay Them or Pay Me. If you choose Pay Them (provider payment) overseas, a check can be mailed to the overseas provider. However, it will not be converted to foreign currency. It will be in US dollars. Therefore, the best approach is the Pay Me option.

CARRYOVER:

Can my Health Care FSA funds continue to carry over from year to year?

Your employer chose to allow a minimum of \$1 and a maximum of \$610 in unused 2023 election funds carryover from your 2023 Health Care FSA to be added to your 2024 Health Care FSA election, to increase your available funds. You must be an active employee on the last day of the 2023 plan year, to be eligible to carryover your unused election funds to the next plan year.

IMPORTANT NOTE:

- **CONUS employees-** If you enroll in a 2024 High Deductible Health Plan (HDHP) with HSA, and you have 2023 Health Care FSA election funds remaining on 12/31/2023, your unused election funds will **not** carryover to a 2024 Health Care FSA. This is because per IRS guidelines, you cannot have an HSA and Healthcare FSA in the same year. You will still be able to file eligible 2023 plan year claims for reimbursement from your 2023 Health Care FSA, up until 2/15/2024.
- **OCONUS employees-** If you enroll in a 2024 High Deductible Health Plan (HDHP) with HRA, and you have 2023 Health Care FSA election funds remaining on 12/31/2023, your unused election funds (minimum \$1 and maximum \$610) are eligible to carry over to a 2024 Health Care FSA. You are also eligible to elect to contribute funds to a 2024 Health Care FSA.

What happens to my carryover amount if I didn't enroll in a Health Care FSA for the upcoming plan year?

If you did not enroll in a Health Care FSA you can still carryover up to \$610 in unused election funds from your 2023 Health Care FSA to the next plan year, provided you're an active eligible employee on 12/31/2023. This means you

can use your carryover dollars to pay for your eligible expenses in the next plan year, provided you remain employed. If you term employment, you can use your carryover dollars to pay for your eligible expenses incurred between January 1, 2024, and your termination date. Carryover funds remaining on 12/31 of the next plan year will be forfeited. You'll be able to use your PayFlex debit card or file claims for reimbursement. Note that 2023 carryover funds will be added to the next plan year Health Care FSA by mid- January (i.e., will not be available on 01/01/2024).

What if I have more than \$610 in unused election funds in my Health Care FSA at the end of the plan year?

If you have more than \$610 in unused election funds in your Health Care FSA at the end of the 2023 plan year, only \$610 will carryover. You have until the end of your plan's run out period (i.e., 2/15/2024) to submit claims for eligible expenses incurred between 1/1/2023 (or your election effective date, if later) and 12/31/2023. These claims will reduce the amount of your unused election funds which exceed \$610, that you were unable to carry over to the next plan year.

For example, if you have \$800 in unused election funds on 12/31/2023, \$610 will rollover to the next plan year, provided you are actively employed on 12/31/2023, leaving \$190 in your 2023 Health Care FSA. Any eligible claims you file for reimbursement by the 2/15/2024 runout deadline will be reimbursed, up to the remaining available funds in your 2023 Health Care FSA. If your filed claims exceed the \$190.00 remaining in your 2023 Health Care FSA, a carryover adjustment will be done to move carryover funds from your 2024 Health Care FSA back to your 2023 Health Care FSA. If you don't have any eligible 2023 claims to submit, you will forfeit the \$190 in unused election funds.

Does the amount I carry over change the amount I can contribute to a Health Care FSA?

The amount you carry over does not change the amount you can contribute to your new 2024 Health Care FSA. If you carry over funds to the next plan year, you can still contribute up to \$3,200 to your 2024 Health Care FSA.

Does the carryover apply to Dependent Care FSAs?

No, the carryover doesn't apply to a Dependent Care FSA. Any funds left in your account after the end of your runout period will be forfeited. Your run out period ends on 2/15/2024 for the 2023 plan year.

What do I need to consider during Open Enrollment if I have a 2023 Health Care FSA, and want to elect a 2024 Health Care FSA?

You should review your 2023 Health Care FSA balance and your planned expenses for the remainder of the year. If your expenses are consistent from year to year, use this as an estimate for what your eligible expenses may be in the next plan year. Then, take into consideration that up to \$610 of your unused 2023 election fund balance remaining (not any unused carryover balance from the 2022 Plan Year) can be carried over to the next plan year. You want to make sure you don't make an election during Open Enrollment for more than you'll be able to spend in the next plan year, including the maximum \$610 that you will be able to carry over to the 2024 plan year. If you haven't had a Health Care FSA before, think about enrolling in one for the next plan year, to take advantage of valuable tax savings and the carryover feature.

What if I have more questions?

There is additional information on the member website (www.payflex.com) that may help. You can also call us at 1-800-416-7053, which is the number on the back of your PayFlex debit card. PayFlex Customer Service Representatives are available Monday through Friday, 7 am- 7 pm, CST and on Saturday from 9 am- 2 pm, CST.

Overseas participants can contact us at: 1-800-416-7053. You can also email questions 24/7/365 through PayFlex.com. Once logged in, choose Help & Support, then Contact Us.

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