



Flex Plan

Maximize Your Benefits
Take Home More Money

If your Annual Flex Elections were	\$4,700.00
This Could Be Yours!	\$1,205.55

Tax Savings estimated at 15% Federal, 7.65% Social Security/Medicare and State/Local taxes at 4%. Actual Savings will vary by individual and location.

See our detailed example inside.





Medical Flex Spending (Med-FSA)

The Medical Flex Spending Account (Med-FSA) allows you to use pre-tax dollars to pay for most medical, dental and vision expenses and you can include the expenses of your eligible dependents, even if they are not covered under your employer's group insurance plan. Eligible expenses for the Med-FSA are services, supplies and treatments that are medically necessary and prevent or treat illness or disease.

Your Med-FSA election is your estimate of the medical, dental and vision expenses for you and your family for the plan year.

Examples of eligible medical, dental and vision expenses

- Acupuncture
- Ambulance Services
- Birth Control & Condoms*
- Breast Pumps & Lactation Supplies
- Chiropractic Services
- Co-payments & Coinsurance
- Contact lenses & supplies
- Crutches and Canes
- Dental treatments

Cleanings	Dentures
Extractions	Fillings
Root Canals	X-Ray

- Eyeglasses & Eye Exams
- Hearing Aids & Batteries
- Fertility Enhancement
- Immunizations/vaccinations
- Insulin and related supplies
- Learning Disability expenses
- Medical Service Provider fees

Acupuncturists	Chiropractors
Optometrists	Oral Surgeon
Orthodontist	Podiatrists
Physicians	Psychiatrists

- Orthodontia Treatments
- Orthotic Devices
- Over-the-counter medications*
- Physical & Speech therapy
- Prescription drugs
- Reconstructive surgery
- Smoking cessation treatments*
- Travel to obtain medical care
- Vision Correction Surgery
- Weight Loss Programs (no foods)
- Wheelchair

Med-FSA Annual Election Worksheet		Your Estimated Annual Expenses
MEDICAL	Exams, Doctor Visits and Flu Shots/Immunizations. Co-payments, Coinsurance and Deductibles.	\$
DENTAL	Dental Exams, Cleanings, Bridges, Crowns, Dentures, Fillings, Implants, Sealants and Orthodontia Treatment.	\$
VISION	Prescription Glasses and Sunglasses, Contacts and Contact Lens Supplies and Vision Correction Surgery.	\$
PHARMACY	Prescribed Medications and Drugs, Insulin and Diabetic Supplies, Medical Supplies and Condoms. Medical Test Kits, including Pregnancy and Ovulation.	\$
SPECIAL	Chiropractic, Acupuncture & Physical Therapy Services. Prescribed Gym Memberships & Weight Loss Programs. Fertility Treatments, Learning Disability Treatments. CPAP and BiPAP Equipment and Supplies	\$
YOUR ANNUAL MEDICAL EXPENSES		\$

What is not eligible?

Expenses that are not considered to be eligible in the Med-FSA include: cosmetic products, medications and procedures such as teeth bleaching, Botox and hair restoration products; personal use items such as toothbrushes (even if prescribed), toothpaste, soap and personal hygiene products; and other expenses such as premiums and food products. Herbal remedies, vitamins and food supplements are only eligible if prescribed by a medical doctor to treat a specific medical condition.

The Med-FSA Can Save You
20% to 40%
on your Medical Expenses

Effective
1/1/2011

* The Health Care Reform Law requires a prescription for the reimbursement of OTC medications from the Med-FSA. Click the button below for more information on eligible medical expenses.

[More Information](#)



Dependent Care Assistance Plan (DCAP)

What is eligible day care?

Expenses that are for the care of your “qualified dependent” while you (and your spouse, if married) are gainfully employed. This includes preschool, sitters, day care centers, and day camps. If your care provider works in your home, you are required to withhold taxes. If a day care center cares for more than six persons (other than persons who live there), the center must comply with state and local regulations.

Who are “qualified dependents”?

A child under the age of 13 or any age if permanently and totally disabled. For divorced or separated parents, the child is treated as a qualifying person only for one custodial parent, even if custody is shared. For more information on the “qualified dependent” requirements, please refer to IRS Publications 501 and 503.

What expenses are not eligible?

Day Care expenses while you (or your spouse) are not working are generally not eligible unless the absence from work is temporary, such as a short-term vacation or illness. Overnight camp, kindergarten expenses, education tuition and expenses such as field trips, food, and clothing are also not eligible. Day care expenses are not eligible if paid to anyone you claim as a tax dependent or your child under age 19, even if they are not your tax dependent.

What are the contribution limits?

The DCAP contribution limit is \$5,000 if you are single or head of household. Married couples who file joint tax returns are limited to \$5,000, and married couples that file taxes separately are limited to \$2,500. Your DCAP contributions cannot be greater than your taxable income or that of your spouse, if married. Other requirements and contribution limits apply if your spouse is a full-time student or if your spouse is disabled and unable to care his/herself and/or for the children.

Do I report my Day Care?

Yes, the IRS requires that you report your DCAP participation with your annual tax return (1040 Form 2441).

DCAP and the Tax Credit

The Federal Day Care Tax Credit expense limit is \$3,000* for one dependent or \$6,000* for two or more dependents. If you have two dependents in day care and pay \$6,000 or more per year, you can participate in the DCAP for \$5,000 and take the Tax Credit on the “extra” \$1,000* of day care expenses. Most families with adjusted gross earnings of more than \$40,000 find greater tax savings with the DCAP than the Tax Credit. Contact your accountant for more information.

* The \$3,000/\$6,000 tax credit limits may drop to \$2,400/\$4,800 in 2013 unless extended by Congress.

Premium Only Plan (POP)

How does the POP work?

Easy! When you enroll in the Premium Only Plan (POP), your employer deducts your premiums from your pay, tax-free. If the costs of your insurance premiums change during the year, your contributions will change automatically. If the premium costs increase, you may change to another, less expensive plan if available from your employer but you cannot drop coverage during the plan year. There’s no paperwork with the POP ... you just get the Tax Savings!

Flex Plan Tax Savings Illustration

Medical, dental & vision expenses	\$500.00
Day Care expenses while you work	\$3,000.00
Group Insurance Premiums	\$1,200.00
Annual Flex Elections	\$4,700.00
Federal Income Tax Savings	\$705.00
Social Security/Medicare Tax Savings	\$359.55
State/Local Income Tax Savings	\$141.00
This Could Be Yours!	\$1,205.55

Tax Savings estimated at the 15% Federal, 7.65% Social Security/Medicare and State/Local taxes at 4%. Actual Savings will vary by individual and location.



General Information

Who are my Eligible Dependents?

To be eligible, your dependents must be a "Qualifying Dependent" based upon a series of tests including relationship, age, support and residence. Generally speaking, domestic partner arrangements do not qualify. For assistance determining if your dependents are considered "Qualifying Dependents", ask your employer for the Dependent Eligibility flier or refer to IRS Publication 501.

The Flex Plan is a TAX SAVINGS PLAN not a Savings Account

It is important that you submit claims regularly. You can send claims as often as you like but you should submit them at least every three months.

Can I change my elections during the year?

The IRS requires that your elections be enforced for the entire plan year unless you have a "Change In Status," such as marriage, divorce, death, employment changes, birth and adoption. The election change must directly relate to the event and you must request the change within 30 days of the Change In Status event.

How do I get reimbursed?

You create a claim form and send it along with your supporting documentation. The documentation can be copies of Explanation of Benefits (EOB) forms from your health plan or detailed bills from your care provider with the name of the provider, the name of the patient, the dates of the service(s), and the amount you actually owe for those services.

Receipts must be imprinted or have the provider's address stamp. "Generic" cash receipts, charge card receipts, check copies, "payments on account", and "prior balance" billing statements are not usually sufficient.

- Expenses must be incurred (services received) during the plan year while you were an active participant.
- An expense is "incurred" when you receive the service, not when you pay the bill.
- Prepayments, including pre-paid Orthodontia, are not eligible until you receive the service(s).
- You can only be reimbursed for expenses you owe and will not be paid by insurance or any other benefit plan.
- We cannot return originals or copies of claims so keep copies of your claims for your personal records.

Are there other requirements?

It is important that you carefully estimate the expenses that you and your family will incur during the Plan Year. Your elections are separate per benefit and the amounts you contribute to a benefit can only be used for that benefit.

The Flex Plan is subject to the IRS "Use-It-Or-Lose-It" rule: if you do not submit claims for eligible expenses on a timely basis, any remaining balances after the claims filing deadline will be forfeited. The claims filing deadline is generally 60 to 90 days after the end of the plan year or your date of termination, whichever is earlier.

For specific information about your Flex including the claims filing deadlines, eligibility requirements, plan entry date and other important information, please refer to the Summary Plan Description provided by your employer.

The Flex Plan Saves You Money



Presented by the Contract Administrator of your Benefit Plan:



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This brochure is not intended to provide tax or legal advice. Please contact your personal tax or legal advisor regarding your personal situation. This brochure is a brief introduction to the Flex Plan benefits and does not address all requirements or limitations that may apply. For specific, detailed information about your Employer's Flex Plan, please read the Summary Plan Description (SPD) that your Employer gave you. (09-2011)