

FAQ: DEBIT CARD FOR FSA

What is the Debit Card?

The Debit Card is a debit MasterCard® used exclusively to access the funds in your Flexible Spending Account (FSA) to directly pay an eligible merchant/provider for eligible expenses. The debit card automatically deducts funds from your FSA balance, which may be a Healthcare FSA and/or Dependent Care FSA (as offered by your employer). You may still need to submit receipts as proof of the service or products purchased but you will not need to use your out-of-pocket dollars to pay for the expense and request a reimbursement.

Where can I use the Debit Card?



The debit card may be used at authorized merchants, healthcare providers and dependent care providers that accept debit MasterCard® for eligible products or services, which are reimbursable under your FSA. The types of merchants include medical clinics, hospitals, dental offices, hearing and vision care centers, and pharmacies (including mail order). Simply present the card to pay for the eligible expense and the card system will verify your active status and availability of funds.

By using the card, you agree to the provisions of the cardholder agreement that is sent with the card. In other words, you agree to use the card only for qualifying expenses, and to provide documentation upon request.

Is this process paperless?

No. The dollar amount of the expense is automatically deducted from your FSA balance, but you must keep the itemized documentation of the expense, as Acclaim Benefits may request a copy to verify the eligibility to meet IRS guidelines.

You will not have to fill out a reimbursement request form. The required documentation is the same information required for paper reimbursement request forms. You should keep all itemized receipts and statements (not the credit card receipt) for each purchase for the entire plan year.

What exactly is the “convenience” of the Debit Card?

The card allows you to pay for the expense at the time the services are incurred. The convenience is immediate access to your FSA; you don't have to use your out-of-pocket dollars to pay for the expense; there are no reimbursement request forms to fill out; and you no longer have to wait for a reimbursement.

If I use my card to pay for an eligible expense, should I automatically submit the receipt to Acclaim Benefits?

No. Acclaim Benefits will send you a monthly statement, which may request a copy of the receipt only if further information is needed. However, you must **keep all itemized receipts** detailing your debit card transactions for tax records.

What is *Itemized Documentation*?

Itemized documentation is proof of your eligible transaction and must include:

- Provider's Name and Address
- Date of Service
- Service Provided
- Amount of Service Charge
- Name of Person Receiving Service (not for OTC items)

What if I only have \$50 remaining in my healthcare FSA but my purchase of eligible expenses totals \$75?

Your card will be denied if you attempt to pay for the \$75 purchase. The merchant or provider can charge \$50 on your debit card and you can pay the remaining balance of \$25 with cash, a check, or other credit card.

When I use my Debit Card to pay for prescriptions at the pharmacy, can I use the card to purchase ineligible expenses (tissues, toothpaste, etc.) at the same time?

No. All ineligible expenses must be paid for separately. The merchants automated cash register system will notify you of any ineligible expenses at the time of the transaction and you will have to pay for those expenses with another credit card or cash.

What if I lose my card?	Contact Acclaim Benefits immediately at 1.800.333.3724 or go to www.acclaimbenefits.com . There will be a \$5.00 fee for a replacement card.
Can my spouse use the card? If not, can I get a second card?	Your spouse may be able to use your card, depending on the merchant or provider. You may request a second card for your spouse or dependent child online at www.acclaimbenefits.com .
I am covered by my spouse's insurance plan but our FSA is through my employer. Can I still use the card?	Yes. Make sure you save all receipts. Acclaim Benefits may request copies to verify expenses.
Can I use the card to pay the full amount of my prescriptions and then request a partial reimbursement?	No. The card can only be used for your out-of-pocket expenses. If you know the amount of your out-of-pocket requirement, the merchant may charge only that portion on the card.
My plan year begins January 1. When I use the card in January, how do you know if expenses are for last year or this year?	Once the new plan year begins, you can only use the card to pay for expenses in the current plan year. As of January 1, the card cannot be used to pay for expenses from the previous plan year, unless your employer-sponsored plan allows for an extended <i>grace period</i> . Please refer to your SPD for eligible grace period information.
Will I automatically receive a new debit card each year?	No. Each card is valid for 3 years, as long as you are enrolled in the plan. Once you deplete your account for each year, save the card for the next plan year. At that time, the value of your card will be equal to your annual election for that plan year. If you are a current participant when your card expires, you will automatically be issued a new card.
When I swipe the card myself, what do I press when it requests that I identify the transaction type?	Press credit . If you press debit, the transaction may not be accepted.
How long do I need to save my receipts?	We recommend you save all receipts and documentation with your other tax records. Currently, the recommendation is that all tax records are kept for seven years. You will receive monthly debit card statements and depending on the status of the card transactions on your statement, you may have to submit copies of your receipts or bills to Acclaim Benefits.
What if I accidentally use my debit card for ineligible expenses?	Please notify Acclaim Benefits immediately. You will have two options to pay those dollars back to your account. You can either send us a check for the ineligible amount or you can submit additional expenses on a paper reimbursement form and we will process and pay the reimbursement request, less the amount that was incorrectly applied to the debit card transaction.
Does this card work for my dependent care account also? What if there's not enough money in my account?	Yes, the card can be used to pay for eligible daycare expenses up to the amount of your current daycare account balance. If there are not enough funds in your account you'll have to pay for the expense, complete the paper reimbursement request form and the request will be paid as funds are contributed to your dependent care account.
Would there ever be a time when I would still need to submit a paper reimbursement request form?	Yes. If a merchant or provider does not accept MasterCard® or debit cards, no daycare funds currently in the account, or if the plan year has ended and you still have expenses from the prior plan year you will have to pay for the expense and complete the reimbursement request form. Paper request forms are processed and paid daily.
Would there be any reason the card would not be available to me?	As long as you are an active participant in your employer's FSA Plan you will have the option of using the card. Upon termination of employment your card is deactivated. Your card is also deactivated if you are negligent in responding to requests from Acclaim Benefits to submit receipts or to re-pay the plan for ineligible reimbursements.