

# SPENDING ACCOUNTS

Flexible Spending Account-Healthcare (FSA)

Flexible Spending Account-Dependent Care (FSA)

Health Reimbursement Arrangement (HRA)

## Add Value to Your Benefits Program

Spending Accounts are among the leading employer-sponsored benefit programs that provide a significant tax-savings to both employees and employers. Offering a spending account reimbursement benefit program enhances the employee benefits package, which attracts and retains motivated employees.

### Flexible Spending Account (FSA)

Healthcare and Dependent Care FSAs allow participants to set aside money on a pre-tax basis to pay for qualifying healthcare and dependent care expenses. Offering an FSA plan provides considerable advantages for both employers and employees. It's a win-win opportunity.

#### *Employer Advantage:*

- Reduced employer payroll taxes (including Social Security and Medicare)
- Increased employee satisfaction, attraction and retention

#### *Employee Advantage:*

- Increased take-home pay by using pre-tax dollars for healthcare and dependent care expenses
- Reduced taxes

### Health Reimbursement Arrangement (HRA)

An HRA is an arrangement through which an individual healthcare reimbursement account is set up with a fixed annual amount for each covered employee. While similar to a healthcare FSA, HRAs are funded solely by the employer.

With HRAs becoming a growing trend toward greater healthcare consumer responsibility, these programs benefit both you and your employees. Health Reimbursement Arrangements are a great way to encourage employees to make wiser healthcare and lifestyle choices, while enabling employers to better manage their benefit costs.

The IRS provides **safe-harbor guidance** for HRAs that permit carry-overs of unused HRA dollars into subsequent plan years if certain conditions are satisfied.

Acclaim Benefits has administered spending accounts since 1983. Our experience and expertise allow us to provide a comprehensive menu of recordkeeping and administration services necessary to make your program a success.

## Recordkeeping and Administration

We take the administrative hassle out of offering an FSA or HRA plan and simplify the process by managing all aspects of administration, including: enrollment, claims processing, government reporting, compliance, and ongoing participant and employer services.

Our comprehensive package of recordkeeping and administration services include:

- Plan design
- Implementation and enrollment
- Education and Communication
- Government reporting
- Compliance and testing
- Dedicated service team
- Acclaim Academy compliance seminars

## Service Features

- 24-hour turnaround claims processing
- Direct deposit
- Benefits debit card (FSA only)
- Electronic enrollment (Web and IVR)
- 24/7 account access (Web and IVR)
- *We Contact You:* participant e-mail notification (when claims are received and paid)
- Toll-free call center and customer service e-mail
- Secure employer portals

## Benefits Debit Card (for FSA)

The Acclaim Benefits Debit Card is a payment option for FSA participants to use for qualifying medical and dependent care expenses. Participants may use this card to access their available FSA funds to pay for products and services through eligible providers and merchants. The debit card can significantly reduce the time, cost and administrative tasks for employees, employers and plan administrators.

- No out-of-pocket payments
- No more waiting for a reimbursement check
- 24/7 online account access
- Monthly debit card account statement
- Optional second card for dependent or spouse at no charge