

Flex Benefit Card and Claims Procedures

You may use your Flex Benefits Card (issued by Alegeus Technologies) for eligible FSA expenses such as co-pays, deductibles, out-of-pocket expenses, and other expenses that are not eligible under your medical, dental or vision plan .



What is the FlexPro Benefits Card?

The Benefits Card (Flex Card) is a MasterCard offered to enhance your Flexible Spending Account by providing instant access to your FSA account. The card is designed for use only at qualified providers or merchants that accept MasterCard and offer eligible goods or services for reimbursement under your Flexible Spending Account. Rather than paying out-of-pocket money for qualified expenses and waiting for reimbursement, your Flex Card transfers funds for qualified expenses directly from your available funds in your Flexible Spending Account to the provider. As a Flexible Spending Account participant, a Flex Card will be mailed to your home address.

How does the Flex Card work?

The Flex Card is a debit card that allows you to pay for your eligible FSA expenses directly at the point-of-service. The Flex Card is treated like a credit card at a merchant or provider terminal and may require a personal identification (PIN) number before processing a transaction. There is no additional line of credit associated with the card, and no credit check will be performed.

Your Flex Card and Over-the-counter Medicines

IRS regulations state that the cost of Over-the-Counter Medicines may not be reimbursed through a Health FSA, HRA, HSA, unless the medicine is prescribed by a physician. This does not apply to items that are not medicines, including but not limited to, equipment or supplies such as crutches, bandages and diagnostic devices such as blood sugar test kits. Some items may qualify as eligible medical care expenses if they meet the definition stated in Section Code §213(d) of the IRS Regulations. Because of these regulations, you should be aware that you may not be able to use your Flex Card for certain over-the-counter medications and you may be required to send a manual claim for reimbursement.

Using Your Flex Card at Retail merchants including Grocery Stores, Discount Stores, Pharmacies and Mail Order Pharmacies

An IRS ruling (2006-09 & 2007-2) requires that Grocery Stores, Discount Retail Stores, Mail Order Pharmacies and Retail Pharmacy Merchants comply with an Inventory Information Approval System (IIAS) and be certified as compliant. Implementation of this regulation allows expenses that qualify as eligible purchases outlined in the regulations to automatically be approved at the point-of-purchase. Your Flex Card complies with these regulations. Only eligible items are authorized at the point-of-sale against your available flexible spending account balance. Purchases that are automatically approved at the point-of-sale through this process may require substantiation after your purchase. You should also keep copies of all receipts in your records, in case you are required to show them to the IRS.

Ineligible items will be denied at the point-of-sale. An alternate method of payment will be required for the purchase of an ineligible item. Purchases made with an alternate method of payment may be made at a Non-Certified IIAS Retail Merchant and may be reimbursed by KBA FlexPro by submitting a completed claim form (see substantiation requirements).

Alternately, eligible purchases at certain Pharmacies and Mail Order Pharmacies will be approved at the point-of-sale, if the merchant is registered each year as a 90% Rule Merchant. These are merchants who can show that 90% of their gross receipts of the last tax year consisted of items that qualified as medical expenses. This permits the use of your Flex Card at these merchant locations. You may, however, be required to submit substantiation for purchases approved at the point-of-sale at a 90% Rule merchant.

Substantiation Requirements

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Substantiation Request

In order to confirm the eligibility of all expenses charged to your Flex Card, you may be asked to provide supporting information about your purchase. KBA FlexPro follows the IRS-defined Flexible Spending Account Flex Card audit guidelines.

Although the Flex Card provides direct access to your FSA dollars, it may not eliminate the need for KBA FlexPro to verify the eligibility of the item(s) purchased as requested by the IRS.

The following substantiation criteria may be required.

- Name of Patient
- Date of Service or Date of Purchase
- Name of Provider or Merchant
- Type of Service or Supply
- Amount of Service or Supply
- Copy of prescription as required (over-the-counter medicines, etc.)

Please note: Cash register receipts or credit card receipts are NOT ELIGIBLE unless the receipt includes the information outlined above.

Ineligible Expenses

Should your transaction detail show that your Flex Card purchase was for an ineligible expense, or if the required documentation for a "pending" service was not provided to KBA FlexPro in a timely manner, the transaction will be considered denied or ineligible. IRS rules require reimbursement to KBA FlexPro for the amount charged to the Flex Card for ineligible expense(s); or, you may submit other eligible medical expenses paid out-of-pocket (not with the Flex Card) to KBA FlexPro for consideration as "offsetting claims" to reduce the amount owed back to the account. Once a transaction has been deemed ineligible, however, the Flex Card will be temporarily deactivated until repayment or offsetting, eligible claims are received.

Substantiation and/or Claim Form Submission

You can submit responses to substantiation requests and/or claims for reimbursement several different ways. Please be sure to include a signed claim form, including detailed receipts/invoices when you are submitting substantiation or requesting a reimbursement.

On-Line Submission – If applicable, substantiation information and/or requests for reimbursement may be uploaded directly to your personal account at www.mywealthcareonline.com/flexpro. Please see the "Online Account Access" section of this document for more information on setting up and using your online account.

Fax Submission - Please fax your substantiation/claims to (317) 284-7269 or (866) 241-1488

Email Submission - You may also submit your substantiation or claim requests via email at flexpro@keybenefit.com. Note: PDF and JPG format of the receipts preferred.

Mail Submission - Mailed substantiation information and/or claims should be sent to:

KBA FlexPro
P.O. Box 1179
Ft. Mill, SC 29716-1179

You will find a Claim Form within this Employee Information Packet