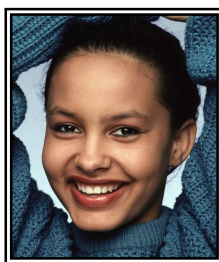
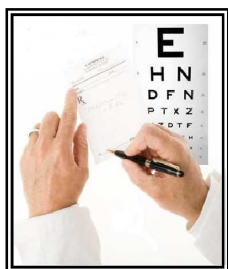




FLEXIBLE BENEFIT PLAN

Enrollment Brochure



“Enroll and let the savings begin!”

WHAT IS A FLEXIBLE BENEFIT PLAN?

A Flexible Benefit Plan is made possible by Section 125 of the Internal Revenue Code. The plan allows you to pay for certain benefits, like group insurance premiums, a Medical Flexible Spending Account and a Dependent Care Flexible Spending Account, on a tax-free basis.

When you enroll in your employer sponsored Flexible Benefit Plan, your contributions are not subject to Federal, FICA and most state taxes. This means you bring home more money in your paycheck!

Tax Savings Example *		
Monthly Pay and Expenses	Without Plan	With Plan
Gross Pay	\$ 5,833.00	\$ 5,833.00
Less Tax-free Expenses		
• Group Health Insurance		\$ 250.00
• Unreimbursed Medical Costs		\$ 108.00
Taxable Income	\$ 5,833.00	\$ 5,475.00
Less Taxes & After-Tax Expenses		
• Federal Income Tax at 25%	\$ 1,458.00	\$ 1,369.00
• NY State Income Tax at 6.85%	\$ 400.00	\$ 375.00
• FICA at 5.65%	\$ 330.00	\$ 309.00
• Group Health Insurance	\$ 250.00	
• Unreimbursed Medical Costs	\$ 108.00	
Disposable Income	\$ 3,287.00	\$ 3,422.00

**This example is based on tax status of married, filing jointly with a taxable annual income of \$70,000.*

Increase in monthly take-home pay: \$ 135.00

Increase in annual take-home pay: \$ 1,620.00

For additional information:

visit the Benefit Resource website, www.BenefitResource.com,

or call the Benefit Resource Participant Services Department, (800) 473-9595,

Monday - Friday, 8 am - 8 pm (Eastern Time).

Plan Participation

- In order to participate in the plan, you need to meet the eligibility requirements set by your employer.

Insurance Premiums

- Premiums for insurances offered through the Flexible Benefit Plan are deducted from your pay on a tax-free basis.
- The amounts deducted from your pay will go directly to the applicable insurance company for payment of your premiums.

Flexible Spending Accounts (FSA)

- Your Flexible Benefit Plan may include two types of Flexible Spending Accounts:
 - Medical FSA
 - Dependent Care FSA
- If you are eligible to participate, you can elect to enroll in one or both of these accounts.
- Elections do not carry over from year to year. You must make new elections prior to the beginning of each plan year.
- The tax-free dollars deducted from your pay can be set aside in an FSA to pay for qualified expenses.
- Services must be provided before using FSA funds. The IRS allows one exception to this rule for orthodontia expenses: reimbursement can be based on date of payment, date of service or payment due date on statements/coupons.

Election Amounts

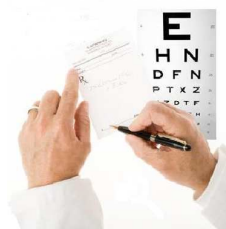
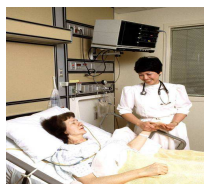
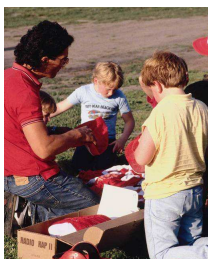
- Medical FSA: the tax-free amount you can set aside in a plan year is set by your employer.
- Refer to your *Plan Highlights* for the maximums (and any applicable minimums) for your plan.
- Dependent Care FSA: the tax-free amount you can set aside in a plan year is set by the IRS.

Election Changes

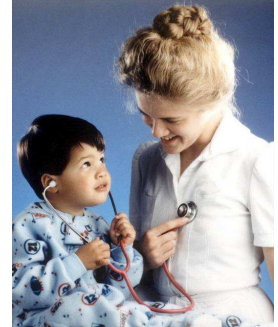
- Generally, once you have enrolled in the plan, you cannot change your elections during that plan year.
- There are certain qualifying events (e.g. marriage, death, change in employment status, etc.) that may allow a change in your plan year election amounts.
- More information is available in your *Summary Plan Description*.

Use-or-Lose

- Any unused amount in an FSA after the time frame indicated in your *Plan Highlights* will be forfeited.
- You cannot use Medical FSA funds for dependent care expenses and vice-versa.
- Plan your elections carefully!



MEDICAL FSA - IMPORTANT FACTS



- The tax-free amount you can set aside in a Medical FSA per plan year is determined by your employer and can be found in your *Plan Highlights*.
- Upon enrolling in a Medical FSA, you have access to your plan year election amount.
- A Medical FSA can be used to pay for eligible medical expenses provided to you, your spouse or your eligible dependents.
- Expenses must be primarily to prevent, treat, diagnose or mitigate a physical or mental defect or illness.
- Expenses may include eligible over-the-counter items.
- Expenses cannot be for personal care, cosmetic or general health purposes.
- Some expenses are only eligible if certified by a licensed medical provider as medically necessary.
- The eligibility of an expense is governed by the IRS.
- Expenses cannot be reimbursed from any other source (e.g. insurance).
- You forfeit any remaining amount in this account after the time frame indicated in your *Plan Highlights*.

The following are just a few examples of what may or may not be eligible under a Medical FSA:

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> • Acupuncture • Co-pay, deductibles and co-insurance • Dental care • Prescription drugs • Vision expenses 	<ul style="list-style-type: none"> • Daycare expenses • Diet foods • Hair transplants • Insurance premiums • Personal care items (e.g. shampoo, soap, toothpaste) • Teeth whitening
Expenses that must be certified by a licensed medical provider	
<ul style="list-style-type: none"> • Exercise and weight loss programs • Vaporizers/humidifiers • Vitamins 	

- The *Medical FSA Worksheet* is included in this booklet to help you estimate how much you should elect for a Medical FSA.
- Your *Plan Highlights* contain specific information about your employer sponsored plan.

Visit www.BenefitResource.com to use the online calculator to estimate your Medical FSA tax savings or to view a list of some eligible over-the-counter items.



DEPENDENT CARE FSA - IMPORTANT FACTS



- A Dependent Care FSA can be used to reimburse dependent care expenses for a qualified person that enable you to be gainfully employed and, if married, enable your spouse to be gainfully employed, look for work or attend school full-time. The qualified person must spend at least 8 hours per day in your home and is *one of the following*:
 - » a dependent child under the age of 13 and for whom you can claim a tax exemption
 - » a spouse or dependent who is physically or mentally incapable of self-care, has the same principal place of abode as you for more than half of the year, and for whom you can claim an exemption
- The IRS sets the maximum tax-free amount you can set aside in a plan year and this amount can be found in your *Plan Highlights*.
- The amount available for reimbursement for dependent care expenses is limited to the cash balance in your Dependent Care FSA.
- You forfeit any remaining amount in this account after the time frame indicated in your *Plan Highlights*.

Eligible Expenses	
<ul style="list-style-type: none">• Before/Afterschool care• Adult care• Child care	<ul style="list-style-type: none">• Nursery school• In-home dependent care• Day care facility
Ineligible Expenses	
<ul style="list-style-type: none">• Services provided for education (including kindergarten), meals, etc.• Overnight camps• Services provided by the child's parent, someone who is your minor child or dependent for income tax purposes (e.g. older child)	

- The *Dependent Care FSA Worksheet* is included in this booklet to help you estimate how much you should elect for a Dependent Care FSA.
- Your *Plan Highlights* contain specific information about your employer sponsored plan.
- Consult a tax professional to determine if it would be more to your advantage to elect a Dependent Care FSA or to use the federal tax credit. You cannot claim the credit for any expenses reimbursed through a Dependent Care FSA.

For additional information, visit the Benefit Resource website, www.BenefitResource.com, for answers to frequently asked questions about a Dependent Care FSA.

ACCESSING YOUR FSA FUNDS



Beniversal® MasterCard®

- Your Medical FSA funds can be accessed by using the Beniversal Card at the point-of-sale. No waiting for reimbursement!
- The card can only be used at qualified merchants, such as:
 - » doctors
 - » dentists
 - » vision centers
 - » medical labs
 - » hospitals
 - » medical supply stores
 - » certain drugstores and retail merchants (a list of these merchants can be found on the Benefit Resource website, www.BenefitResource.com)
- You must save your itemized receipts every time you use your card, per IRS regulations.
- Since some qualified merchants also offer services/items that are not eligible under a Medical FSA (e.g. teeth whitening, non-prescription sunglasses):
 - Benefit Resource may contact you about the purchase you made with your card.
 - You simply send in the requested information.
- You do not need a new Beniversal Card each plan year. As long as you continue participating in the plan, you can continue using your card through the card's expiration date.
- Carefully read the materials that you receive with your Beniversal Card.

Claim Reimbursement

- Your Medical and Dependent Care funds can be accessed by submitting a reimbursement request.
- After a service is provided, you will need to submit a completed claim with supporting documentation to Benefit Resource. You can do this in one of two ways:
 - (a) Log into the Benefit Resource website and select *Online Claim Entry*. (This option is only available if allowed by your plan.)
 - (b) Complete a paper claim form and fax or mail it to Benefit Resource. You will find a *Claim Form* in this booklet to use when submitting your initial request for reimbursement.
- Reimbursements are processed each Wednesday and will include claims received by Benefit Resource at least 5 business days prior to the processing day.
- Reimbursements are paid directly to you. You can choose to have your reimbursements deposited directly into your bank account by one of the following ways:
 - (a) Log into the Benefit Resource website and select *Direct Deposit*.
 - (b) Submit the *Authorization Agreement For Direct Deposit Reimbursement* form (found on the Benefit Resource website or in this booklet).

For additional information:

**visit the Benefit Resource website, www.BenefitResource.com,
or call the Benefit Resource Participant Services Department, (800) 473-9595,
Monday - Friday, 8 am - 8 pm (Eastern Time).**

OTHER IMPORTANT INFORMATION

Enrollment

You now have the opportunity to choose the best health benefits for you and your family. We hope you will sign up for an FSA, the valuable benefit that helps you keep your hard earned money.

Enroll and let the savings begin!

- Enrollment forms are available from your employer.
- Online enrollment may be available (*if offered by your employer*):
 - From the Benefit Resource website, www.BenefitResource.com, click *Participants* under *Secure Login*.
 - At the *Participant Login* page, enter:
 - » Company Code - provided by your employer or the online instructions
 - » Member ID - SSN or unique 9-digit ID provided by your employer
 - » Initial Password - 5 digit home zip code (you will be prompted to change the password upon initial login)
 - Click on *FSA Enrollment* on the *Account Home* page.
 - Follow the prompts to complete the process.

Get Information

- www.BenefitResource.com
 - Account balance information
 - FAQs
 - List of SIGIS IIAS & 90% merchants
 - Eligible expense lists
 - Plan documentation
- Benefit Resource Participant Services
 - (800) 473-9595, Monday - Friday, 8 am - 8 pm (Eastern Time)
 - ParticipantServices@BenefitResource.com
 - Live Chat via www.BenefitResource.com, Monday - Friday, 8 am - 5 pm (Eastern Time) (*available with participant login*)

The screenshot displays the Benefit Resource website interface. At the top, there is a navigation bar with the company logo and a quote: "...delivered everything they promised... it adds up to big savings for our employees." Below this is a "SECURE LOGIN" section with buttons for "Employers" and "Participants", and an "Enter Search" field. A main menu on the left lists various services like "Beneficial.com", "Beneficial MasterCard", "eTRAC Commute", "FSA Information", "HRA Information", "Forms", "FAQs", "Calculate your savings", and "News to the". The central banner features the headline "plans that perform" and a sub-headline "Whether you're on your way to work or on your way to recovery, Benefit Resource will make your life simpler." Below the banner is a photograph of a woman smiling while a hand points to a document. At the bottom, there is contact information for Benefit Resource, Inc. and a copyright notice for 2009.



MEDICAL FSA AND DEPENDENT CARE FSA WORKSHEETS

MEDICAL FSA: Out-of-pocket expenses for the following services for you and your family may be eligible for payment from your Medical FSA (including co-pay and deductible amounts). Estimate your eligible out-of-pocket expenses below.

<p><u>MEDICAL</u></p> <p>_____ Acupuncture</p> <p>_____ Allergy treatments</p> <p>_____ Chiropractor fees</p> <p>_____ Emergency room visits</p> <p>_____ Hospital bills</p> <p>_____ Immunizations</p> <p>_____ Insulin & diabetic supplies</p> <p>_____ Laboratory fees</p> <p>_____ Office visits</p> <p>_____ Over-the-counter drugs and medicines. <i>Effective 01/01/2011, must be for a specific medical condition and requires a prescription from a medical provider.*</i></p> <p>_____ Over-the-counter medical supplies not used for cosmetic items (e.g. lotions, creams) or toiletries (e.g. tooth-paste).</p> <p>_____ Physical therapy</p> <p>_____ Physician fees</p> <p>_____ Prescription drugs <i>(for a specific medical condition)</i></p> <p>_____ Routine checkups</p> <p>_____ Surgery</p> <p>_____ Vaccinations</p> <p>_____ Well baby care</p> <p>_____ X-rays</p> <p>\$ _____ SUBTOTAL</p>	<p><u>DENTAL</u></p> <p>_____ Cleanings</p> <p>_____ Dental exams</p> <p>_____ Fillings</p> <p>_____ Fluoride treatments</p> <p>_____ X-rays</p> <p>\$ _____ SUBTOTAL</p> <p><u>VISION</u></p> <p>_____ Corrective eye surgery</p> <p>_____ Corrective eye wear</p> <p>_____ Eye exams</p> <p>_____ Prescription contact lenses</p> <p>_____ Prescription sunglasses</p> <p>\$ _____ SUBTOTAL</p> <p><u>HEARING</u></p> <p>_____ Hearing aids</p> <p>_____ Hearing exams</p> <p>_____ Telephones for hearing impaired</p> <p>\$ _____ SUBTOTAL</p> <p>Total Plan Year Estimate: \$ _____</p>
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**To be reimbursed for these expenses, a completed claim form must be submitted to Benefit Resource along with one of the following:*

- *a customer receipt identifying the name of the person for whom the prescription applies, the date and amount of the purchase, and an Rx number; or*
- *a customer receipt that reflects the date and the amount of the purchase, along with a copy of the prescription.*

DEPENDENT CARE FSA: The following expenses may be eligible for payment from your Dependent Care FSA. Estimate your eligible out-of-pocket expenses below.

<p>\$ _____ Adult Day Care</p> <p>\$ _____ Child Day Care</p> <p>\$ _____ In-Home Dependent Care</p> <p>\$ _____ Nursery School</p> <p>Total Plan Year Estimate: \$ _____</p>
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NOTES



2320 BRIGHTON-HENRIETTA TOWNLINE RD
ROCHESTER, NY 14623 • PHONE: (800) 473-9595

AUTHORIZATION AGREEMENT FOR DIRECT DEPOSIT REIMBURSEMENT

Please Check One: Set up new Direct Deposit Change Direct Deposit Account Cancel Direct Deposit

EMPLOYEE INFORMATION

Employer Name:

Employee Member ID:

Last Name:

First Name:

MI:

Address:

City:

State:

Zip:

Phone Number:

BANK ACCOUNT INFORMATION

Name of Bank:

Transit ABA Routing #:

Account #:

Type of Account (*Please Check One*):

- Checking Account (*you must attach a voided check with pre-printed name, transit ABA routing # and account number*)
- Savings Account (*you must attach a deposit slip with pre-printed name, transit ABA routing # and account number*)

(Please allow 14 days after receipt by Benefit Resource, Inc. for bank pre-notification to be completed.)

AUTHORIZATION AGREEMENT

I hereby authorize Benefit Resource, Inc. to initiate credit entries to the bank account indicated above and, if necessary, to initiate debit entries and adjustment for any credit entries made in error to my account. This authorization is to remain in full force and effect until Benefit Resource has received written notice from me of its termination and has had a reasonable opportunity to act on it. I understand that this authorization cannot be processed unless it is completed in full and submitted with the necessary attachment. By authorizing any direct deposits, I certify that the reimbursed expenses qualify for reimbursement under IRS regulations, are for a qualifying individual, and will not be reimbursed from any other source.

Signature: _____ Date: ____/____/____

Please return completed form to Benefit Resource, Inc. Retain a copy for your files.

Internal Use Only: Initial and Date _____ FSA/HRA _____ CBP _____

FSA/HRA REIMBURSEMENT CLAIM FORM (Please Print Clearly)

PART 1		PART 2 <input type="checkbox"/> Check here if address has changed and provide new information below.		
Employee Name:		Street or P.O. Box:		
Member ID:		City:		
Employer:		State:		Zip Code:
PART 3				
Provider & Service Rendered/Item Purchased	*Pay from Prior PY?	Date(s) of Service	Amount	For Office Use Only
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
	<input type="checkbox"/> YES			
TOTAL →				
Submit claim by:		Signature Required: _____ Date: _____		
Fax: (585) 427-9320 or Mail: ATTN: Claims Department Benefit Resource, Inc. 2320 Brighton-Henrietta TL Rd. Rochester, NY 14623-2782		Employee Certification: By signing the above, I request reimbursement for Medical and/or Dependent Care expenses listed above. Enclosed are itemized bills, receipts or EOBs verifying these expenses. Each expense listed is for a service/item provided to me, my spouse or an eligible dependent, has not been purchased with a Beniversal® Card, and will not be reimbursed from any other source. Medical expenses were incurred only for an immediate medical purpose. I understand that these expenses must qualify for reimbursement under the Internal Revenue Code and cannot be claimed as deductions on my personal income tax.		



**If your plan offers the extended grace period allowed by IRS regulations, you must check Yes if you wish to have this expense reimbursed from the prior plan year.*

INSTRUCTIONS FOR SUBMITTING YOUR CLAIM:

1. Part 1 of the claim form *must* be completed in full.
2. Part 2 of the claim form should only be completed if your address has changed.
3. Part 3 of the claim form *must* be completed in full.
4. For each item you are claiming in Part 3, you must attach a copy of itemized bills, statements, receipts or insurance company Explanation of Benefits (EOBs). This documentation from your provider *must* include the following information (*please retain originals for your personal records*).
 - Name of provider
 - Date(s) service was provided
 - Type of service provided (for prescriptions, must include name of drug)
 - Your out-of-pocket cost for the service
 - Name of person receiving the service
5. IRS regulations require additional documentation for the following:
 - Effective 01/01/2011, over-the-counter drugs and medicines require a prescription.
 - Dual purpose items require a Certification of Medical Necessity form (*can be obtained from the Benefit Resource website*).
6. The claim form *must* be signed and dated after reading the Employee Certification.
7. Submit the completed claim form and all related documentation to: **Fax: (585) 427-9320 or ATTN: Claims Department Benefit Resource, Inc. 2320 Brighton-Henrietta TL Rd. Rochester, NY 14623-2782**

CLAIM SUBMISSION REMINDERS:

- Credit card statements, cancelled checks and balance forward/prior balance statements *are not* acceptable.
- The service being claimed must be provided to you, your spouse or your eligible dependent within the time frame indicated in your Plan Highlights.
- In general, IRS regulations do not require that you pay for a service before requesting reimbursement. A request for reimbursement must be based on the date when the service was provided, not the date when a payment was made. (The IRS allows one exception: orthodontia expenses can be based on date of payment, date of service or payment due date on statements/coupons.)
- Claims must be submitted *after* a service is provided, but *before* the end of the run-out period following the end of your plan year.
- Claims must be received by Benefit Resource, Inc. within the time frames specified in the Plan Highlights.
- An expense paid with the Beniversal Card or that has been reimbursed from any other source cannot be submitted for reimbursement.
- Items on a claim form or supporting documentation should never be highlighted since highlighted items can be hard to read.

SOME EXPENSES THAT ARE NOT ELIGIBLE FOR REIMBURSEMENT FROM A MEDICAL REIMBURSEMENT ACCOUNT INCLUDE:

- Personal care items (e.g. shampoo, soap, electric toothbrush, toothpaste, mouthwash)
- Teeth whitening
- Insurance premiums

SOME EXPENSES ARE ONLY ELIGIBLE FOR REIMBURSEMENT FROM A MEDICAL REIMBURSEMENT ACCOUNT IF CERTIFIED BY A LICENSED MEDICAL PROVIDER AS PREVENTING, TREATING, OR MITIGATING A SPECIFIC PHYSICAL DEFECT OR ILLNESS:

- Cosmetic services
- Vitamins
- Non-prescription sunglasses
- Exercise and weight loss programs



Benefit Resource, Inc.
2320 Brighton-Henrietta Townline Road • Rochester, NY 14623
Toll-free: (866) 996-5200 • Phone: (585) 424-5200
www.BenefitResource.com

