



# Flexible Spending Account Frequently Asked Questions

## What is a Flexible Spending Account (FSA)?

A Flexible Spending Account is an employer sponsored program that allows you to set aside money pre-tax to use for certain IRS eligible expenses. The Medical FSA covers not only medical expenses, but also dental and vision services.

## How does an FSA work?

During the open enrollment period with your employer, you will make an election for the amount you want contributed to your FSA. That annual amount will be divided equally over your yearly pay schedule, and deductions will be made pre-tax from each pay check and deposited to that account. As you incur expenses, you will submit for reimbursement from your account, either with a paper claim or with the AXISPlus debit card.

## What are the advantages to having an FSA?

When you participate in the Flexible Spending program, your eligible expenses are paid for with tax-free money. Also, as the contributions are withheld from your paycheck pre-tax, it lowers your taxable income, meaning you pay less in taxes, and take more money home.

## What are considered eligible expenses?

There are 3 things to consider as you determine whether an expense is eligible for reimbursement from your Medical FSA – services, service dates, and eligible dependents.

Services- Eligible medical expense are defined by IRS Code §213(d) and must not be excluded by the plan documents. In order to qualify for reimbursement, the expense must diagnose, cure, mitigate, treat, or prevent disease, or affect a structure or function of the body. Expenses aimed at maintaining general health or improving a person's appearance (cosmetic procedures), are not considered eligible expenses.

Service Dates- In order to be eligible for reimbursement, services must be provided/incurred during the time that you are covered and active under the plan. The IRS is concerned with the actual date of service, not the date of payment.

Eligible Dependents- Coverage for a Medical FSA is extended to the employee, the employee's spouse, and the employee's child who is under age 27 as of the calendar year or someone else who is a qualified tax dependent of the employee.

## When can I enroll?

You may enroll in the plan during your employer's open enrollment period prior to the start of the plan year. You may also enroll mid-year if you are a newly hired employee, or if you have a qualified Status Change Event as outlined in the Summary Plan Description.

## Can I make changes to my account mid-year?

Once you make your election during the enrollment period, it cannot be changed or canceled during the plan year, it is irrevocable. Exceptions to the irrevocability rule are allowed mid-year with a qualified Status Change Event such as a marriage, divorce, birth, adoption, death, etc. The election changes must be consistent with the status change.

## What if my spouse or I have a Health Savings Account?

If you or your spouse are participating in a Health Savings Account (HSA), participation in this FSA may disqualify you from further contributions to that HSA.

## What happens to money left in the account at the end of the plan year?

The IRS regulations include what is often called the "Use-It-Or-Lose-It" rule. This means that any funds left in your account at the end of the Plan Year will be forfeited to your employer. For this reason, it is important that you plan your election amount carefully. Most employees will underestimate their account elections to ensure all funds are spent.

## Do I have to wait for the money to be deposited before requesting reimbursement?

With a Medical FSA, you do not have to wait for the deposits to be made before requesting reimbursement. Your full annual election amount is available to you on the first day of the plan year.



## Flexible Spending Account Frequently Asked Questions Cont.

What information do I need for reimbursement?

In order to verify the eligibility of an expense, we need a third party statement indicating the provider's name and contact information, the patient, the date of service (not the date of payment), a description of services rendered, and your portion of the expense. You should also retain a copy of the statement for your records.

How do I submit a reimbursement claim and when can I expect payment?

Reimbursement claims may be submitted electronically with the "Online Claims Entry" option on your account through [www.portal.myaxisplus.com](http://www.portal.myaxisplus.com). Reimbursements may also be submitted with a printed reimbursement claim form and sent to our office via email, fax, mobile app, or postal service. Reimbursement claims will be processed daily.

Where can I find out my account information and balance?

As a participant, you will have access to a secure online account through [www.portal.myaxisplus.com](http://www.portal.myaxisplus.com). Here you will be able to view your account history and balance, submit reimbursement claims electronically, view eligible expenses lists, print various forms and documents, and much more. You will be provided the online registration information after enrollment.

## AXISPlus Debit Card

What is the AXISPlus debit card?

The AXISPlus debit card is a Visa® debit card that offers you direct access to your FSA funds.

How does it work?

You may swipe your AXISPlus card as you would any other debit card at a qualified medical merchant. The merchant must accept Visa® as a form of payment. The funds will be debited from your Flexible Spending Account and paid directly to the service provider.

Where can I use it?

The use of the AXISPlus card is limited to providers with a qualified medical Merchant Category Code (MCC). These include doctor's offices, hospitals, pharmacies, dental offices, and vision clinics. The card will not be accepted at an ATM or for cash back on a purchase.

What if I lose my card?

From your account on [www.portal.myaxisplus.com](http://www.portal.myaxisplus.com) you have the capabilities to report your AXISPlus debit card as lost or stolen and to order a replacement card.

Can I have additional cards?

As a debit card participant you are entitled to 1 secondary debit card for your FSA, free of charge.

Will I need to send in any paper work?

Under the IRS regulations, we are required to verify the eligibility of every expense, whether paid with a reimbursement claim or the AXISPlus debit card. There are various check-point systems in place to greatly reduce the amount of documentation you will be required to submit to our office as you use the debit card, but it does not eliminate the need for paper work entirely. The information requested will be the same as that of a reimbursement claim (see "What information do I need for reimbursement?" listed above).

For each card swipe, you will receive automatic email notifications. These notifications will inform you of the status of the transaction, and whether or not additional information/documentation is being requested.

What happens if a card payment is ineligible?

If all or a portion of your AXISPlus debit card transaction is deemed ineligible, you will be required to pay back the ineligible amount to your Flex account. This can be done in a variety of ways and our staff will help you find the option best suited for you. Please be aware that while there is money due on your account, your debit card will be temporarily suspended until all transactions are either paid back or resolved. If the transaction remains ineligible after the plan year ends, the employer can withhold the ineligible transaction amount from your paycheck, and if still uncollected the transaction will be included as taxable income on the participant's W-2.