

The Arizona Board of Regents Flexible Spending Account Plan

Participant Plan Information

**Arizona Board of Regents
Arizona State University
Northern Arizona University
The University of Arizona**

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1 INTRODUCTION

1.1 Disclaimer

The information in this document provides a brief overview of the Arizona Board of Regents (ABOR) Flexible Spending Account (FSA) plan that is available to you as a benefits-eligible employee. It is not intended to provide complete details, which are contained in the contracts and legal documents for the plan. In case of a discrepancy between this guide and the contracts and plan documents, the contracts and plan documents will govern the benefits provided by this plan. ABOR reserves the right to change or terminate any of its plans, in whole or in part, at any time.

1.2 Plan Overview

A **Flexible Spending Account (FSA)** plan is an employer-sponsored plan that enables you to have dollars deducted from your paycheck before all the payroll taxes are calculated and have them deposited into a special account. FSA accounts are exempt from federal income taxes, Social Security/Medicare (FICA) taxes, and state income taxes. You can use contributions to your account to reimburse yourself for qualified health care and dependent day care expenses, while reducing your taxable income at the same time. Your tax savings are realized throughout the plan year with every paycheck you receive, and your reduced taxable income is reported on your W-2 each year.

Your total savings will depend on your marital status, number of exemptions, and tax bracket; **contact your tax advisor if you have questions about your tax savings and how an FSA plan may benefit you.**

The plan is administered by ASIFlex, a third party that specializes in FSA plan administration. There are two different accounts in the ABOR FSA plan. One account is for qualified health care expenses for you and your eligible dependents, and the other account is for qualified dependent day care expenses for your eligible

dependents. When you enroll in the FSA plan, you should carefully estimate the expenses you expect to incur during the plan year to avoid possible forfeiture of funds.

After you enroll in one or both of these accounts, ASIFlex will send to your home address a confirmation of your enrollment and instructions for filing claims. As you incur qualified expenses throughout the year, submit a claim to ASIFlex along with documentation of the expense, such as the Explanation of Benefits from your insurance company or invoice from your daycare provider. In return, you will receive tax-free reimbursements from your FSA account. You can verify your account balance and monitor claims activity through ASIFlex's secure participant website.

1.3 Eligibility

To be eligible to participate in an FSA, you must be an employee of the Arizona Board of Regents, Arizona State University, Northern Arizona University, or the University of Arizona. Eligible employees must also be (1) working at least 20 hours a week; (2) scheduled to work for 90 days or more OR have averaged 30 hours of work per week during a 12-month measurement period.

1.4 The Plan Year

For the Health Care FSA, the plan year is the twelve-month period from January 1 through December 31. For the Dependent-Care FSA, there is a 2½-month grace period, so you can apply expenses incurred from January 1 through March 15 of the following year. Qualified expenses must be incurred during the portion of the plan year that you are a participant. You must claim all funds in your FSA account by April 30 following the end of the plan year. After April 30, unused dependent care funds are forfeited and there is a rollover limit for healthcare funds. *For 2020 and 2021 only*, these forfeitures are suspended. Your entire 2021 account balance will roll over into 2022.

1.5 Qualified Dependents

The IRS definition¹ of qualified dependents for tax purposes is unrelated to the eligibility for coverage under the medical, dental, or vision plans, which are established by Arizona statute. Please visit asiflex.com or contact ASIFlex at asi@asiflex.com or (800) 659-3035 if you have any questions regarding qualified dependents.

1.6 Enrollment Periods

Annual Open Enrollment is generally held in October and November each year. Participation in the plan does not automatically carry forward to the next plan year, so if you wish to continue to participate, you must re-enroll during the Annual Open Enrollment period.

If you are a newly eligible employee, you must enroll within 30 or 31 calendar days as required by your university. Participation begins the first day of the pay period following your completed enrollment. Once your participation begins, you may not change it unless you experience a Qualified Life Event that supports a change during the plan year.

If you are enrolling for the first time and your enrollment is outside the regular Annual Open Enrollment period, you should only include qualifying expenses from the date your coverage begins through the end of the plan year (December 31 for health care, the following March 15 for dependent care). For instance, if your coverage begins on March 1, only qualifying expenses incurred on or after March 1 are eligible for reimbursement.

If you do not enroll within your university's required enrollment period, you may not participate in the plan until the next January 1, unless you experience a Qualified Life Event that supports a change during the plan year.

1.7 Your Reimbursement Options – Direct Deposit, Check, or Debit Card

When you enroll, you will choose whether to receive your reimbursements by direct deposit

into your financial institution, by check sent to you via US mail, or by debit card (Health Care FSA only). If you choose direct deposit, a notice that a reimbursement payment was made will be sent to you by e-mail or US mail.

A debit card is available for the General-Purpose and Limited Purpose Health Care FSAs (see Section 2) at no cost to you. ASIFlex will mail a debit card application to your home address with your FSA enrollment confirmation. You may contact ASIFlex at any time during the plan year to add the debit card option.

Many debit card transactions can be electronically substantiated without documentation. A claim is considered to be electronically substantiated if it matches a co-payment or any combination of co-payments up to five times the highest co-payment for your insurance plan, occurs at a retail outlet that has implemented the Inventory Information Approval System (IIAS), or is a recurring expense for the same amount at the same provider and has been substantiated once by claim documentation.

If a transaction cannot be electronically substantiated, you will receive a request for follow-up documentation from ASIFlex. If you do not provide follow-up documentation within six weeks of the initial request, your debit card will be de-activated. If follow-up documentation is not provided by April 30 of the following year, the claim may be reported as taxable income or deducted from your paycheck.

1.8 Your Communication Preference – US Mail or E-mail?

You will receive enrollment confirmation and your first statement by US mail. If you choose direct deposit for your reimbursement payments and provide an e-mail address, you will receive direct deposit notifications, subsequent quarterly statements, and other communications from ASIFlex at that e-mail address. You can also use the website portal or download a mobile app to

¹[IRC §152 – Dependent Defined; IRS Publication 502](#)

access and manage your account electronically. To change your communication preference anytime during the plan year, contact ASIFlex at asi@asiflex.com or (800) 659-3035.

2 HEALTH CARE FLEXIBLE SPENDING ACCOUNT

The Health Care FSA allows you to be reimbursed from your pre-tax contributions for qualified health care expenses for yourself and your qualified dependents.

An expense qualifies for the Health Care FSA based on when the service is provided and the expense is incurred, not when it is paid. Please contact ASIFlex at asi@asiflex.com or (800) 659-3035 if you have any questions regarding qualified expenses.

The General-Purpose Health Care Flexible Spending Account is available to eligible employees who do not concurrently contribute to a health savings account.

Qualified health care expenses² under the General Purpose Health Care FSA include eligible medical, dental, hearing, and vision expenses not covered or not reimbursed by insurance, which are incurred during the plan year for the diagnosis, cure, mitigation, treatment, or prevention of disease, and for treatments affecting any part or function of the body. Many over-the-counter medications, personal protective equipment for COVID-19 (e.g., masks, hand sanitizer), and menstrual products are also eligible.

The Limited Health Care Flexible Spending Account is available to eligible employees who concurrently participate in a high-deductible medical insurance plan with health savings account.

Qualified health care expenses³ under the Limited Purpose Health Care FSA include eligible dental, vision, and preventive care expenses not covered or not reimbursed by insurance, which are incurred by you or your qualified dependent(s)⁴ during the plan year.

2.1 Estimating Your Family's Annual Out-of-Pocket Health Care Expenses

You may include qualified health care expenses for anyone who is a qualified dependent for tax purposes. (There are exceptions for the expenses of children of divorced parents. Please visit asiflex.com or contact ASIFlex at asi@asiflex.com or (800) 659-3035 for further information.) When calculating your annual election, include predictable expenses. If you do not incur expenses equal to your annual election by December 31, up to 20% of the maximum annual contribution amount will roll over for use in the following year. Any remaining balance in your account will be forfeited. However, as a temporary response to the COVID-19 pandemic, your entire 2021 health care balance will roll over into 2022. The maximum annual contribution to the Health Care FSA and the Limited Health Care FSA is established each year by the Internal Revenue Service (the maximum for 2022 is \$2,750).

Sample Qualified Health Care Expenses

- Deductibles
- Co-pays
- Doctor's/chiropractor's fees
- Vision care expenses
- Prescription glasses
- Contact lenses/solutions
- Corrective eye surgery
- Prescription medications
- Many over-the-counter medications
- Menstrual products
- Dental expenses
- Orthodontia/braces
- Routine physicals
- Insulin
- Hearing aids, including batteries

² [IRS Publication 502](#)

³ [IRS Publication 502](#) or www.asiflex.com

⁴ [IRC §152](#) or asiflex.com

- Transportation expenses related to illness
- Medical equipment
- Personal protective equipment

Sample Non-Qualified Health Care Expenses

- Expenses paid by medical, dental, or vision insurance
- All insurance premiums
- Long-term care expenses
- Clip-on or non-prescription sunglasses
- Toiletries
- Expenses that are merely beneficial to your general health (e.g., vacations, vitamins, nutritional supplements, herbs)
- Warranties
- Cosmetic procedures not medically necessary to meaningfully promote the proper function of the body or prevent or treat illness or disease; e.g., face-lifts, skin peeling, teeth whitening, hair removal/replacement

2.2 Specific Requirements for Orthodontic Expenses (dental braces)

Orthodontic expenses may be considered incurred at the time a monthly payment is paid. In order to receive reimbursement for orthodontic expenses, you must submit copies of invoices or statements from the provider, including the provider's name, the date(s) of service(s), a *description of the service(s)*, and proof of payment.

If you have questions about qualifying orthodontic expenses, please contact ASIFlex at asi@asiflex.com or (800) 659-3035 prior to enrolling.

2.3 Women's Health and Cancer Rights Act of 1998

The Health Care FSA, as required by the Women's Health and Cancer Rights Act of 1998, includes expenses for mastectomy-related services, including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Please contact ASIFlex at asi@asiflex.com or (800) 659-3035 for more information.

2.4 Newborns' and Mothers' Health Protection Act of 1996

Under federal law, group health plans and health insurance issuers generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's nor newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). Furthermore, plans and issuers may not require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

2.5 Heroes Earning Assistance and Relief Tax Act of 2008 (HEART Act)

Under the HEART Act of 2008, a member of the Reserves or National Guard who is called to active military duty for a period of at least 180 days may elect to receive a Qualified Reservist Distribution from their Health Care FSA without incurring eligible medical expenses(s). The amount of this distribution cannot exceed the amount the employee contributed to the Health Care FSA as of the date of the request, minus any Health Care FSA reimbursements the employee already received. To request a distribution, contact your university's Human Resources office.

2.6 Enrolling in the Health Care Flexible Spending Account Plan

Review the Annual Open Enrollment materials or check your university's Human Resources website to learn more about the specific enrollment process used at your institution. You will receive information about submitting claims from ASIFlex with your enrollment confirmation, and claim forms are available at asiflex.com or on your Human Resources website.

2.7 Receiving Health Care Services and Filing a Claim for Reimbursement

After you have incurred (received) the health care services and know the amount of your out-of-pocket expenses, you may fax, mail, or submit electronically a claim to ASIFlex for those expenses (see page 15). Copies of invoices or statements from the provider, or the Explanation of Benefits from the insurance carrier, are required, and they must include the patient's name, the provider's name, the date(s) of service(s), a description of the service(s), and the expense amount(s). Copies of personal checks and paid receipts without the above information are not acceptable. Documentation will not be returned.

Expenses for general good health (e.g., vitamins) are typically ineligible. However, claims for such items might be eligible if purchased for an existing or imminent medical condition. To validate the item's medical necessity, include a letter from your health care provider stating the medical condition and the items that are required for its treatment. This letter can be used as support for 12 months from the date of the letter. A sample letter is available at asiflex.com under "Eligible Expenses."

Eligible claims for items of general good health and over-the-counter medications and supplies must be accompanied by the receipt or documentation from the store that includes the name of the item pre-printed on it.

2.8 Health Care Reimbursement Payments

ASIFlex will review your claim and determine whether the expenses qualify for reimbursement. Reimbursements for qualified expenses generally are processed within one day of receipt of the claim. Reimbursement is not limited to the amount in your account at the time of your claim; rather, reimbursement will be made up to the approved amount of your claim *or* your remaining annual election, whichever is less.

2.9 Continuation of Coverage – Consolidated Omnibus Budget Reconciliation Act (COBRA)

You, your spouse, or your dependent(s) may elect to continue Health Care FSA coverage under the following circumstances:

- your death,
- your termination of employment (other than for gross misconduct) or a change in employment status that results in a loss of eligibility for the plan,
- your divorce or legal separation, or
- your dependent child ceasing to be a dependent under the terms of this plan.

If your remaining Health Care FSA benefits are greater than your remaining contributions on the date of your qualifying event, you are eligible for COBRA continuation coverage. It is **your** (or your authorized representative's) responsibility to inform your Human Resources office of the occurrence of a COBRA qualifying event.

When the plan is notified that a COBRA event has occurred, a notice of the right to choose continuation of coverage will be provided to each eligible person. Each eligible person then has 60 days from the date the notice is provided to elect continuation of coverage. In accordance with federal law,⁵ a premium is charged up to 102% of the cost of providing coverage. The premium amount in excess of 100% is an administrative charge and is not credited to your account. If continuation coverage contributions are not received within 30 days of their due dates, the coverage and reimbursements end.

If you do not elect COBRA continuation coverage, FSA participation will end on the last day of the pay period that includes the COBRA event.

IMPORTANT NOTE REGARDING

ELIGIBLE EXPENSES: Expenses incurred while you do not have coverage are ineligible for reimbursement.

⁵ [42 U.S.C. §§ 300bb-1 through 300bb-8](#)

3 DEPENDENT DAY CARE FLEXIBLE SPENDING ACCOUNT

The Dependent Day Care FSA allows you to be reimbursed from pre-tax contributions for child day care or adult day care expenses necessary for (1) you to work or look for work, and (2) your spouse to work, look for work, or be a full-time student. If these expenses are for the care of a child, you must have physical custody of your child for more than 50% of the year. For the care of an adult, the adult must reside with you and meet earned income limits. This account works differently than the Health Care FSA, primarily due to specific IRS regulations⁶ for dependent care expenses.

3.1 Comparing the Dependent Day Care FSA with the IRS Child and Dependent Care Tax Credit

The Dependent Care FSA and the IRS Child and Dependent Care Tax Credit provide you with two options for reducing your taxes; both options are available for qualified dependent child day care and adult day care expenses. However, you must choose which option serves you best, since IRS regulations prohibit you from claiming the same expenses under both options in the same tax year. **Before enrolling in the Dependent Care FSA, please contact your tax advisor if you have questions about which option will benefit you.**

The Dependent Care FSA

You make pre-tax contributions to the Dependent Care FSA and submit claims for qualified dependent care expenses you incur while you are covered. Your tax savings are realized throughout the plan year with every paycheck you receive.

The IRS Child and Dependent Care Tax Credit

Using the IRS Child and Dependent Care Tax Credit, you claim a tax credit on your income

taxes equal to your dependent care expenses (up to \$6,000 per year for two or more dependents or \$3,000 per year for one dependent) multiplied by a percentage. (For calendar year 2021 only, these limits are temporarily raised.) The percentage decreases from a high of 35% to a low of 20% as your household adjusted gross income increases.

3.2 Additional Dependent Day Care Tax Considerations

The IRS has set a limit of \$5,000 per year (\$2,500 for single parents) in combined dependent care expenses that an employee or spouse may include in employer-sponsored pre-tax dependent care programs such as the Dependent Day Care FSA, child care choice, and sick child and emergency/back-up care programs. This includes the entire value of the program, and both employee and employer contributions. **Funds used to pay for expenses in excess of the \$5,000 limit are subject to income tax.**

If you have unusual dependent day care or joint custody arrangements, contact ASIFlex at asi@asiflex.com or (800) 659-3035 before enrolling.

If you are a participant in the Dependent Day Care FSA, you are required to file **Schedule 2 or Form 2441** with IRS Form 1040 to support the amount you contributed to the FSA for the plan year. Please note that this is for informational purposes. Contributions you make to the Dependent Day Care FSA are not taxable, but the contribution amount will appear on your W-2 form. This informs the IRS that you received a tax reduction for this amount through the FSA.

3.3 Estimating Your Family's Annual Out-of-Pocket Dependent Day Care Expenses

When calculating your annual election, include only predictable dependent day care expenses. Within the IRS annual maximum limit of \$5,000, you and your spouse together may include up to

⁶ [IRS Publication 503](#)

1. \$5,000 per year (\$2,500 for a single individual or a married parent filing a separate tax return for the plan year), OR
2. the lesser of your or your spouse's earned income for the plan year, after subtracting all dependent day care FSA contributions. (If your spouse is a full-time student at an educational institution OR is physically or mentally incapable of self-care, your spouse is considered to have earned income of \$250 per month if you have one dependent, and \$500 per month if you have two or more dependents.)

Sample Qualified Dependent Day Care Expenses

- Dependent day care center, babysitter, nanny
- Care of an eligible dependent under age 13
- Care of an eligible dependent of any age who is physically or mentally incapable of self-care and meets income requirements

Sample Non-Qualified Dependent Care Expenses

- Care expenses not incurred in order for you to work or look for work, such as expenses incurred while you are on a leave of absence
- Care expenses not incurred in order for your spouse to work, look for work, or be a full-time student
- Preschool/kindergarten or other educational expenses
- Instructional camps, sport-specific camps, or overnight camps
- Food, transportation, or activity fees
- Care for a child for whom you have physical custody for 50% of the time or less
- Care for a child age 13 or older who is not disabled
- Child support payments
- Amounts paid to your spouse
- Amounts paid to your spouse or dependents who are under 19 years old at year's end

3.4 Dependent Day Care Providers

Qualified providers may provide your dependents with care in your home or outside

your home. The dependent care expenses **may not** be paid to

- your spouse, *or*
- a child of yours (or your spouse's) who is under the age of 19 at the end of the year in which the expenses are incurred, *or*
- an individual whom you or your spouse may claim as a dependent on your federal income tax return.

Before enrolling in the Dependent Day Care FSA, check with your day care provider to be sure that you are able to obtain their tax I.D. number or Social Security number. This information is required for valid dependent care claims and must be included on your federal income tax return. Please visit asiflex.com or contact ASIFlex at asi@asiflex.com or (800) 659-3035 if you have questions regarding qualified providers.

3.5 Enrolling in the Dependent Day Care FSA

Review the Annual Open Enrollment materials or check your university's Human Resources website to learn more about the enrollment process used at your institution. You will receive claim filing instructions with your enrollment confirmation from ASIFlex, and claim forms are available at asiflex.com or on your Human Resources website.

3.6 Receiving Dependent Day Care Services and Filing a Claim for Reimbursement

After you have received dependent day care services and know the amount of your expense, you may fax, mail, or submit electronically a claim to ASIFlex for reimbursement of those expenses. You must provide a copy of an invoice or statement from the provider that includes the provider's name, the date(s) of service(s), a description of the service(s), and the expense amount(s). You may have the dependent day care provider complete and sign the dependent care section of the claim form instead of providing separate documentation for dependent care claims (see page 15).

3.7 Dependent Day Care Reimbursements

ASIFlex will review your claim and determine whether the expenses qualify for reimbursement. Reimbursements for qualified expenses generally are processed within one day of the receipt of the claim, and are limited to the amount you have on deposit in your account. If your claim exceeds your available funds, the difference will be recorded and paid automatically as funds become available from your future payroll contributions.

4 ENROLLMENT CHANGES DURING THE PLAN YEAR – QUALIFIED LIFE EVENTS

Normally, your enrollment in either the Health Care or Dependent Day Care FSA is irrevocable for the duration of the plan year. However, you *may* be eligible to enroll or change your participation during the plan year if you experience a Qualified Life Event (QLE). The Health Care FSA and the Dependent Day Care FSA have slightly different rules regarding making an election change or enrolling during the plan year. More information is available from ASIFlex at (800) 659-3035 or your Human Resources office.

When you, your spouse, or your qualified dependent experiences a QLE that results in a gain or loss of eligibility for coverage under the FSA plan, you may make a corresponding change to your FSA participation within 30 or 31 calendar days of the event, as required by your university. To make an allowable election change any time after your coverage starts, you must submit to your Human Resources office the FSA enrollment/change form required by your university, along with written proof of the QLE. Following receipt and approval of your new election, your contributions will change effective the first day of the pay period. See table 1 for details.

5 LEAVE OF ABSENCE, RETURN TO WORK, AND SEPARATION FROM EMPLOYMENT

Normally, your enrollment in either the Health Care or Dependent Day Care FSA is irrevocable for the duration of the plan year. However, your pay status and several regulations govern your options to maintain, revoke, re-enroll, or opt for continuation of your FSA coverage. These regulations include the Family and Medical Leave Act (FMLA), the Consolidated Omnibus

Budget Reconciliation Act (COBRA), and the federal tax code.

Family and Medical Leave

If you **begin FML with pay**, your Health Care FSA contributions must continue without interruption, and your Dependent Care FSA contributions may continue unless you request a suspension from your Human Resources office no later than 30 or 31 calendar days after the start of your leave, as required by your university.

If you **begin FML without pay**, you may maintain your Health Care FSA by making payment arrangements with your Human Resources office. Contributions to your Dependent Day Care FSA will be suspended.

If you **return to work after FML and within the same plan year**, you must resume previous Health Care and Dependent Day Care FSA participation. You may have options regarding contribution amounts.

Non-FML Leave of Absence

If you **begin a non-FML leave of absence with pay**, your Health Care FSA contributions must continue without interruption, and your Dependent Day Care FSA will continue unless you contact your Human Resources office to request suspension no later than 30 or 31 calendar days after the start of your leave, as required by your university.

If you **begin a non-FML leave of absence without pay**, your Health Care FSA contributions will end, and you may qualify for COBRA continuation coverage. Your Dependent Care FSA contributions will end, and you cannot use those funds while on leave.

If you **return to work at the end of a non-FML leave of absence and within the same plan year**, you must resume previous Health Care and Dependent Care FSA participation. You may have options regarding the contribution amounts.

Return to Work after a Separation from Employment

If you **return to work after separation from employment**, and your separation was 30 days or less, your coverage *must* resume at your previous Health Care and Dependent Day Care FSA annual contribution amounts.

If you **return to work after separation from employment**, and your separation was more than 30 days, you are eligible to enroll in an FSA within 30 or 31 calendar days of your return to work, as required by your university.

Details of the various options are outlined in table 2.

Except as specified in the section on COBRA, Health Care expenses incurred while you do not have coverage are ineligible for reimbursement. Dependent Care expenses incurred while you are on a leave of absence are ineligible for reimbursement, unless you are incapable of self-care and your spouse is working.

More information is available from ASIFlex at (800) 659-3035 or your Human Resources office.

6 YOUR RIGHT TO APPEAL A DENIED CLAIM

You will receive written notice of any denied claims. You will have 60 days to file a written appeal with ASIFlex, who will provide you with a written notice of the resolution of your appeal within 60 days of their receipt of your appeal.

7 CONTACTS, QUESTIONS AND RESOURCES

Contact your Human Resources office regarding FSA enrollment or if you have questions about your payroll deductions. Contact ASIFlex regarding qualified dependents, qualified expenses, or claims for both the Health Care and Dependent Day Care FSAs. From their website you may access the Claim Form, Direct Deposit Authorization Form, Email Notification Form, Debit Card Application, HIPAA Release of Information Form, your personal account activity, links to IRS publications, a tax savings calculator, and many other useful resources.

ASIFlex

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TABLE 1 - SUMMARY OF ALLOWABLE CHANGES TO THE FSA - QUALIFIED LIFE EVENTS

Any change to your FSA coverage must be consistent with the Qualified Life Event (QLE), and how that event corresponds to an increase to or loss of eligibility for FSA coverage. The following four types of changes are allowed: (1) enrolling, (2) canceling, (3) increasing contributions, and (4) decreasing contributions. (See Section 4 “Enrollment Changes during the Plan Year – Qualified Life Events” on page 10.)

For example, if you adopt a two-year-old child during the plan year, your number of dependents increases, which is a QLE. Your child is eligible for coverage under both the Health Care FSA and the Dependent Day Care FSA. You may enroll in or increase your contributions to either FSA. However, you would be unable to decrease or drop coverage because you experienced an **increase** in eligibility, not a **loss** of eligibility; it would not be consistent with the event.

| Qualified Life Event | Health Care | Dependent Care |
|--|--|----------------|
| Change in your marital status through marriage, divorce, legal separation, death, or annulment | Changes during the plan year consistent with the event | |
| Change in your number of dependents ⁷ because of birth, adoption (or placement for adoption), foster care, legal guardianship, or death | | |
| You, your spouse, or a dependent have a change in employment status (such as separation from employment, retirement, new employment, leave of absence, change from part-time to full-time, or change from full-time to part-time employment) that affects eligibility for a health insurance plan, Health Care FSA, or Dependent Day Care FSA maintained by your spouse’s or eligible dependent’s employer | | |
| You are served with a judgment, decree, or court order, including a qualified medical child support order, regarding coverage for a dependent. | Changes during the plan year consistent with the event | Not applicable |
| You, your spouse, or a dependent becomes entitled to and covered under Medicare or Medicaid, or loses eligibility for Medicare or Medicaid coverage. | | |
| Your child is no longer in childcare, is in only after-school care due to entering kindergarten or first grade, or no longer qualifies for dependent day care because they have reached 13 years old. | Changes during the plan year consistent with the event | |
| Your adult dependent no longer requires day care services. | | |
| Your dependent day care provider who is not your relative ⁸ significantly changes your costs, including enrollment in school or availability of a no-cost provider. | | |
| You change dependent day care providers. | Not applicable | |

⁷ [IRC §152 - Dependent Defined; IRS Publication 502](#)

⁸ [IRC §152 - Dependent Defined; IRS Publication 502](#)

TABLE 2 - SUMMARY OF OPTIONS UNDER LEAVES OF ABSENCE AND RETURN TO WORK

| Approved Family & Medical Leave | Health Care FSA | Dependent Care FSA |
|--|---|--|
| Paid Family & Medical Leave of any length | FSA contribution must remain without interruption | Contributions will continue unless you notify HR no later than 30 or 31 calendar days after the start of the leave, ⁹ as required by your university |
| Unpaid Family & Medical Leave of any length | You may maintain ¹⁰ coverage by contacting your HR office regarding payment options | FSA contributions suspended – ineligible to continue coverage during the unpaid leave |
| Return to work after the end of a Family & Medical Leave of any length, <i>and</i> within the same plan year | You must resume previous participation and may elect to continue previous per-pay-period contribution (which decreases the annual amount) <i>or</i> continue previous annual contribution (which increases the paycheck amount) ¹¹ | |
| Approved Leave of Absence (non-Family & Medical Leave) | Health Care FSA | Dependent Care FSA |
| Paid leave of absence of any length | FSA contribution must continue without interruption | Contributions will continue unless you notify your HR office no later than 30 or 31 calendar days after the start of the leave, ¹² as required by your university |
| Unpaid leave of absence of any length | FSA contributions end. You may continue coverage if eligible and if a qualified COBRA event ¹³ | FSA contributions end – ineligible to continue coverage during the unpaid leave |
| Return to work after the end of a leave of absence of any length, <i>and</i> within the same plan year | You must resume previous participation and may elect to continue previous per-pay-period contribution (which decreases the annual amount) <i>or</i> continue previous annual contribution (which increases the paycheck) ¹⁴ | |
| | If you continued coverage under COBRA, you must notify your HR office upon return | COBRA not applicable |

⁹ See section 5 “Leave of Absence, Return to Work, and Separation from Employment.”

¹⁰ To maintain coverage, you must select one of two payment options before your leave begins, or, in the case of an unplanned/emergency leave, as soon as possible after the beginning of the leave. You may make monthly after-tax payments directly to the plan during the leave period, OR you may pay one pre-tax payroll deduction before your leave begins to cover contributions due for the entire leave period.

¹¹ If you do not notify your Human Resources office upon your return to work, your coverage will resume with the same annual contribution you had prior to your leave.

¹² See section 5 “Leave of Absence, Return to Work, and Separation from Employment.”

¹³ If your remaining Health Care FSA benefits for the current plan year are greater than your remaining contributions on the date of your COBRA qualifying event, then you are eligible for COBRA continuation coverage.

¹⁴ If you do not notify your Human Resources office upon your return to work, your coverage will resume with the same annual contribution you had prior to your leave.

| Return to Work after Separation from Employment | Health Care FSA | Dependent Care FSA |
|---|---|---------------------------|
| Return to work after a break in service \leq 30 calendar days, <i>and</i> within the same plan year | Must resume previous FSA coverage at annual contribution amount | |
| | If you continued coverage under COBRA, you must notify your HR office upon return | COBRA not applicable |
| Return to work after a break in service \geq 31 calendar days, <i>and</i> in any plan year | You are newly eligible. To elect new coverage, you must complete the enrollment process within 30 or 31 calendar days after return to work, as required by your university. | |


Sample Claim and Provider Documentation

This day care receipt contains the items the Internal Revenue Code requires:

1. It is signed by the provider of service - "*Ima Sitter*"
2. It contains a description of the services - "*day care services*"
3. It explicitly lists "*5-1-99 to 5-31-99*" as the range of the dates that the day care was provided.
4. It includes the amount charged for the day care "*\$300.00*," not necessarily the amount paid.
5. It identifies the person for whom the day care was provided - "*Mike Riddick*"

Day care documentation must contain all of these items in order to be processed.

We must be able to identify the participant



CLAIM FORM

Please read requirements on reverse side

Riddick, John M. *ASI* 111 - 22 - 4444
Last Name, First Name Employer Social Security Number

110 E. Ash St. *Columbia MO 65203*
Street Address City, State, Zip

Dependent Care Assistance (day care, babysitting, etc.)

| Name of Dependent | Age | Service Period | | Name, Address and Taxpayer ID number of Provider of service | Charge for Services | ASI use only | |
|---------------------------------------|-----|----------------|-------------|---|---------------------|--------------|--|
| | | From | To | | | | |
| <i>Mike</i> | 10 | <i>5/1</i> | <i>5/31</i> | <i>Ima Sitter, 123 Main St. Columbia MO 65203 123-45-6789</i> | <i>300.00</i> | | |
| Total Dependent Day Care Claim | | | | | <i>300.00</i> | | |

I provided the dependent care as stated above

Care Provider's original signature Date SSAN/Tax ID#

Medical Benefits

| Date Care Provided* | Name of Service Provider | Expense Description | Name and relationship of Person for whom expense incurred | Amount that is your responsibility | ASI use only |
|---------------------------------------|-----------------------------|---------------------|---|------------------------------------|--------------|
| <i>5/15/99</i> | <i>I. William See, M.D.</i> | <i>Eye Exam</i> | <i>Mary - daughter</i> | <i>10.00</i> | |
| Total Medical Amount Requested | | | | <i>10.00</i> | |

*Claims for future services will not be accepted.

The undersigned participant in the Plan certifies that all expenses for which reimbursement or payment is claimed by submission of this form were incurred during a period while the undersigned was covered under his/her employer's Flexible Spending Plan with respect to such expenses and that the expenses have not been reimbursed and are not reimbursable from any other source. Any Dependent Care Assistance expenses claimed here were provided for my dependent under the age of 13 or for a dependent who is incapable of self care. The undersigned fully understands that he or she alone is fully responsible for the sufficiency, accuracy, and veracity of all information relating to this claim which is provided by the undersigned, and that unless an expense for which payment or reimbursement is claimed is a proper expense under the Plan, the undersigned may be liable for payment of all related taxes including federal, state, or local income tax on amounts paid from the Plan which relate to such expense.

John M. Riddick 12/29/99
Employee Signature Date

The participant must sign the claim

Every request and all documentation must contain all the items shown in blue.

I provided *day care services* for *Mike Riddick*

From *5-1-99* to *5-31-99*. The total sum for services provided was *\$300.00*.

Signed *Ima Sitter*
Ima Sitter
 123 Main Street
 Columbia, MO 65203
 SSN 123-45-6789

Separate dependent care documentation is not required if the provider signs the form after the dependent care section is completed.

I. William See, MD
 Ophthalmology
 2020 Seymour
 Crystalview, MO 65201

| Service Date | Description | Charge for Services |
|----------------|-----------------|---------------------|
| <i>5/15/99</i> | <i>Eye Exam</i> | <i>\$10.00</i> |

Patient's Name *Mary Riddick*

This health care service statement contains all the items the Internal Revenue Code requires:

1. It identifies the provider of service - "*I. William See, MD*"
2. It contains a description of the services - "*Eye Exam*"
3. It explicitly states the date of the eye exam - "*5/15/99*"
4. It includes the amount charged for the exam "*\$10.00*," not necessarily the amount paid at the time of service.
5. It identifies the person receiving the eye exam - "*Mary Riddick*"

Medical documentation must contain all of these items in order to be processed.