

Frequently Asked Questions – Medical Flexible Spending Account

Q: What is an FSA (Flexible Spending Account)?

A: A benefit established that allows you to set aside, on a pre-tax basis, money for healthcare costs from your paycheck BEFORE taxes are withheld. Therefore, allowing you to pay for, and be reimbursed for, eligible out-of-pocket expenses with tax-free dollars.

Q: Should I participate? If so, why?

A: If you incur out-of-pocket medical, dental or vision expenses, YES. Why? Most healthcare programs do not pay 100% of the medical expense, leaving you with a balance to pay, such as co-pays and deductibles. If you or your dependents use over-the-counter products, such as antacids, pain relievers, allergy medicines, bandages, etc., then you pay for those expenses out of your pocket. Does anyone in your dependent family incur dental or vision expenses? If you enroll in this plan you will save a minimum of 20% (depending on your personal tax bracket, you may save more) of your out-of-pocket dollars by paying for these expenses with tax-free dollars.

Q: How do I get my money from the account?

A: Your employer offers participants a debit card (myFBMC Visa Card™) in order to access their FSA. This card allows you to pay for eligible products and services at the point of sale without having to submit claim forms and wait for reimbursement. You can use the card at eligible retailers or your medical provider where Visa is accepted. Should your provider not accept Visa, then you can file a claim form along with proof (receipt) of your obligation to pay, and you will be reimbursed for these expenses. You can also choose not to use the card and file claims for reimbursement. Examples of eligible locations are hospitals, physician offices, dental offices, vision service locations, and pharmacies (log in to your myFBMC.com account to get the latest list of approved retailers). **Always Keep ALL Receipts.**

Q: When during the plan year are expenses incurred?

A: An expense is "incurred" on the date you actually receive the service, not the date you are billed or pay for the service. The "incurred" date for reimbursement must fall within the plan year dates. For example, if your employer's plan year is a calendar year plan year (1/1-12/31), then all "incurred" dates must be within that plan year. Also, for any

claims you "incur" during the plan year, you will have a set period of time in which to file those expenses after the plan year ends. This period of time is until March 31st of the following year.

Q: What if I accidentally use my card for an ineligible expense?

A: If you use your card for an ineligible expense you must repay that amount to your employer. They will then notify FBMC that you have done so, and this amount will be refunded to your card account for future use.

Q: How do I keep up with the balance in my account?

A: You can check your balance, report a lost/stolen card, or print a statement of your account 24-hours, 7 days a week, by setting up your account at www.fbmc.com and clicking on My Benefits. If you do not have access to the Internet, you can call FBMC's customer service line during the normal business hours at 1-800-342-8017.

Q: How do I know how much to contribute and what is eligible?

A: You must calculate the amount you wish to contribute to the plan on a plan year basis. You will then divide this amount by the number of pay periods during the plan year; either semi-monthly (24) or bi-weekly (26) pay periods. To find a list of eligible items, go to FBMC's website at <https://www.myfbmc.com/customers/HealthCareExpenses.asp>. Just remember; estimate wisely to avoid leaving unused dollars in the plan. If you estimate and spend this money wisely you will avoid the consequences of the "use-it-or-lose-it" rule.