

# FLEXIBLE SPENDING ACCOUNTS (FSA) GUIDE

## WHAT IS AN FSA?

An FSA is an account that allows you to set aside money, before taxes, to use on eligible health care and dependent care expenses. You elect how much you want to contribute, and your

employer deducts the amount from your paychecks for the plan year. Since you use pretax dollars you lower your taxable income, and you use tax-free money for expenses.

## TWO KINDS OF FSAS AND THEIR ELIGIBLE EXPENSES

### Health Care FSA

For eligible health care services and items for you, spouse and dependents.

- Prescriptions
- Over-the-counter items and medicines\*
- Co-payments
- Dental care, orthodontia
- Vision care, eye surgery
- Therapies

These are just a few of the many services and items people use everyday. Complete lists of eligible expenses are provided on [www.enrollwithtag.com](http://www.enrollwithtag.com).

\* A doctor's prescription is no longer required for over-the-counter drugs and medicines in order to be FSA eligible.

## HOW TO USE YOUR FUNDS

We want to make using your FSA as easy and convenient as possible. That's why we offer you choices.



**FSA VISA DEBIT CARD.** Use it instead of cash at most medical providers and pharmacies.



**REIMBURSEMENT REQUEST.** File a claim online, by fax or mail for reimbursement.



**MOBILE APP.** Use our mobile website to view your account information.



SIMPLE & EASY  
DOWNLOAD THE  
"EnrollWithTAG"  
APP TODAY!



**CONTACT A  
TAG REPRESENTATIVE:**



**BY PHONE:**  
(877) 506-1660



**BY EMAIL:**  
[support@enrollwithtag.com](mailto:support@enrollwithtag.com)

[www.enrollwithtag.com](http://www.enrollwithtag.com)

## WHAT ELSE YOU SHOULD KNOW

- Q.** When can I use my funds?
- A.** Health Care FSAs are fully funded at the start of your plan year for immediate use. Dependent Care FSAs require that the funds are contributed before they can be used.
- Q.** Who regulates the use of FSAs?
- A.** FSAs are regulated by the IRS, who determines what expenses are eligible. Most FSA purchases can be verified automatically but you may be asked to submit documentation. Always ask for an itemized receipt and save all receipts.

## ESTIMATE YOUR SAVINGS

How much you save depends on how much you spend on health and dependent care, and on your tax situation. For every \$100 of eligible expenses, most people will save up to \$40 in taxes. To estimate your expenses and see for yourself how your savings can add up, use the savings calculator at [www.enrollwithtag.com](http://www.enrollwithtag.com)

## SIGN UP

Your employer will give you details on when and how to sign up. To use the savings calculator designed to help you decide how much to contribute, visit: [www.enrollwithtag.com](http://www.enrollwithtag.com)

Be sure to estimate your expenses as accurately as possible because funds remaining in your account at your plan's deadline are forfeited per IRS regulations.

After you have signed up, be sure to create an online account. It's easy and lets you manage your account any time!

HEALTH CARE FSA	EXAMPLE	YOUR ESTIMATE
Prescription drugs	\$225	
Doctor visits	\$80	
Annual dental plan deductible	\$50	
Dental fillings and crowns	\$185	
Orthodontia (braces)	\$1,800	
Prescription glasses	\$100	
Prescribed over-the-counter products <sup>1</sup>	\$60	
Suggested plan year election <sup>2</sup>	= \$2,500	=
Taxes (40% <sup>3</sup> )	x 0.40	
Estimated savings <sup>2</sup>	= \$1,000	=

## QUESTIONS

Helpful tips, guides and FAQs are available online at [www.enrollwithtag.com](http://www.enrollwithtag.com). The Advantage Group professionals also are standing by to help you. Just Call 1 (877) 506-1660

- NOTES:**
- 1 Requires a doctor's prescription
  - 2 Your employer determines the maximum annual amount you can contribute for your plan, which cannot exceed \$2,750, effective 1/1/2021, per IRS rules. Confirm with your employer or check your summary plan description for the maximum annual contribution limit allowed for your plan.
  - 3 Tax savings amounts are examples provided for illustrative purposes only. They are based on federal, state, and FICA (Social Security) taxes that you do not have to pay through payroll deductions on amounts used to fund your account. Your actual savings may vary depending on your marginal income tax rate, whether you pay state income taxes, and other factors. Some states do not recognize tax exclusions for FSA contributions.

# COMMUTER BENEFITS PROGRAM

## HOW A COMMUTER BENEFITS PROGRAM WORKS

Participant's use money in their TAG Commuter Benefits Account for all eligible work-related transit and parking expenses. Each paycheck, participant's elect to set aside a portion of pay, before taxes, to use for eligible transit and/or parking expenses.

Since the money used to fund the program isn't taxed, you save between 25% and 40% on every purchase. If, for example, you spend \$200 a month on your commute, you can save nearly \$1,000 per year with the program.

## EXPENSES A COMMUTER PROGRAM CAN HELP PAY FOR

The great thing about a commuter program is that it covers just about every possible way you can travel to and from work. The simple rule is that if you take a form of public transit to work, park and ride, or park near work, you can save.

- Bus, light rail, regional rail, trolley, subway or ferry
- Vanpool, uberPOOL (not available in all cities)
- Parking at or near work
- Parking at or near public transportation for your commute

## USING A COMMUTER PROGRAM IS EASY

When signing up for the program, you determine the amount of parking and/or transit expenses you would like deducted each pay period. As the amount is deducted from each paycheck, the money is put into your account and is available to use for eligible expenses. Accessing account funds is easy:



**COMMUTER VISA® DEBIT CARD.** Use it instead of cash at eligible parking and transportation providers.



**REIMBURSEMENT REQUEST.** File a claim online, by fax or mail for reimbursement.



**MOBILE APP.** Use your smart phone to view your account information.



SIMPLE & EASY  
DOWNLOAD THE  
"EnrollWithTAG"  
APP TODAY!

  
**THE ADVANTAGE GROUP**  
**CONTACT A  
TAG REPRESENTATIVE:**



**BY PHONE:**  
(877) 506-1660



**BY EMAIL:**  
support@enrollwithtag.com

[www.enrollwithtag.com](http://www.enrollwithtag.com)

Participant Election Form  
Flexible Spending Accounts (FSA)



**Participant Information**

Employer Name:		Plan Year:
Participant Name:		SSN:
Mailing Address:		Birth Date:
City:	State:	Zip:
Phone:	Email:	
Payroll Cycle:	If new employee, provide eligibility date:	

**Pre-Tax Benefit Elections**

Flexible Spending Account Categories:	Pre-Tax Election (per pay period)	Pre-Tax Election (per plan year)	Initials
Healthcare FSA: (\$2,750 maximum per year)			
Dependent Care FSA: (\$5,000 maximum per year)			
Commuter Transit: (\$270 maximum per month)			
Commuter Parking: (\$270 maximum per month)			
<b>Total Pre-Tax Contribution Amount:</b>			

Would you like a Debit Card? (note: cards have a three year expiration and may be used over multiple plan years)	Initials
Yes, I am a new participant and would like a debit card	
Yes, I have discarded my original card and need a new debit card	
Yes, reload my existing card	
No, I do not want a debit card	

**Plan Election Agreement**

I understand that by signing below, I am making a binding election of the benefit(s) indicated on this form and hereby authorize my employer to re-direct each pay-period the contribution(s) listed in the above election section. I further understand that IRS requires forfeiture of any unused contributions (use-it-or-lose-it-rule) that remain unclaimed after the end of the plan year. There is a 90 day grace period to submit eligible expenses incurred during the current plan year. Once this election form is signed, I understand that my contribution(s) cannot be revoked or changed during the plan year, unless I have a qualifying "Status Change", which includes marriage, divorce, death of spouse or child, birth or adoption of a child, and termination of employment of spouse which justifies the revocation (see SPD's for rules). Each year I have the option to make changes to my TAG plan election amount(s) during the Open Enrollment Period (OEP). In the event of a change in my cost for the employer sponsored group insurance premium(s), I authorize my employer to adjust my TAG plan contribution(s) accordingly. I have examined this agreement and to the best of my knowledge, it is true and complete.

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_



## Reimbursement Guide

Healthcare FSA's are permitted to reimburse drugs, medicines and supplies that meet the definition of medical care under Code 213(d), including items purchased over-the-counter. The following provides a common list of eligible expenses (and ineligible expenses) for your review. A comprehensive listing of eligible expenses can be viewed at [www.enrollwithtag.com](http://www.enrollwithtag.com).

## OTC Medication Eligibility

Over-the-counter medications (OTC) and qualified over-the-counter first aid type items are eligible for purchase with your Healthcare FSA.

### Medical Care

- Adoption/Medical Expenses
- Ambulance Services
- Blood Pressure Monitoring
- Body Scans
- Contact Lenses
- Contraceptives, i.e. Birth Control Pills and Vasectomy
- Co-Pays & Deductibles
- Costs for a Guide Dog for the Blind or Deaf
- Dental Check Ups and Care
- Drug Addiction Treatments
- Fertility Treatments (for inability to conceive naturally)
- Hearing Aids/Supplies
- Hospital Services
- Immunizations
- Lab / X-ray Fees
- LASIK Eye Surgery
- Operations (non-cosmetic)
- Orthodontia
- Prescription Drugs
- Pregnancy Tests

### Over-the Counter Items (OTC)

- Allergy Medications, i.e. Claritin and Benadryl
- Antacids such as Zantac, Pepcid AC
- Bandages, Gauze, and Tape
- Cold Medications, i.e. Nyquil and Robitussin
- Contraceptives such as Condoms
- Contact Lens Solutions and Cleaners
- Denture Adhesives
- Diabetic Supplies (may require statement)
- Diaper Rash Ointments
- Diarrhea Medicines
- First Aid Supplies
- Hemorrhoid Treatments
- Laxatives, i.e. Phillip's Milk of Magnesia
- Menstrual Products
- Motion Sickness Pills
- Nasal Decongestants, Drops, and Inhalers
- Pain Relievers, i.e. Tylenol and Motrin
- Prenatal Vitamins
- Sleeping Aids, i.e. Unisom and Sominex
- Thermometers
- Topical antibiotic ointment, i.e. Neosporin

### Dual Purpose Items

Dual purpose items may require recommendation by a medical practitioner to treat a specific medical condition.

- Acne Treatments
- Allergy Treatment Equipment
- Birthing Classes
- Counseling (only for a medical reason)
- Health Club Dues/Fitness Fees
- Massage Therapy
- Orthopedic Shoes and Inserts
- Weight Reduction Programs
- Skin Care Treatments
- Smoking Cessation Programs
- Alternative Healers such as Herbal and Holistic
- Cold or Hot Compresses
- Dietary Supplements
- Sun Screen Products

# Direct Deposit Authorization



## Direct Deposit

Direct Deposit is safe, convenient, and easy. Your claims will be processed as usual. When disbursements are processed for your company, your reimbursement will be deposited directly into your designated account and you will receive a non-negotiable paper transaction record from us through your payroll department.

## Setup Instructions

1. Complete all information on this Authorization Form.
2. Attach a voided check.
3. Sign and date the form.
4. Mail the completed authorization to the address listed below for approval.

## Direct Deposit Authorization

Name: \_\_\_\_\_ Employer: \_\_\_\_\_

Type of Account:  Checking  Savings

Financial Institution Name: \_\_\_\_\_ Branch: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

I authorize The Advantage Group and the financial institution listed below to initiate electronic credit entries, and if necessary, debit entries and adjustments for any credit entries in error, to my account. This authority will remain in effect until I have cancelled it in writing.

\_\_\_\_\_  
Participant Signature

\_\_\_\_\_  
Date

### Attach Voided Check

*voided check*

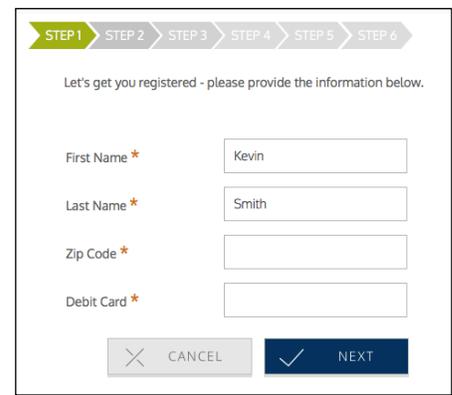
**Mail Completed Form:** The Advantage Group, 43471 Ridge Park Drive, Suite B, Temecula, Ca 92590

## Online Account Services

All active participants have access to their online account features at [www.enrollwithtag.com](http://www.enrollwithtag.com). Your online account provides fast and easy access to all of your accounts activities. Users can view up-to-date account balance information, pending claims status, claims history, and submit for claims reimbursement from your personal account page.

## New User Setup Instructions

1. Logon to [www.enrollwithtag.wealthcareportal.com](http://www.enrollwithtag.wealthcareportal.com) and select Registration.



STEP 1 STEP 2 STEP 3 STEP 4 STEP 5 STEP 6

Let's get you registered - please provide the information below.

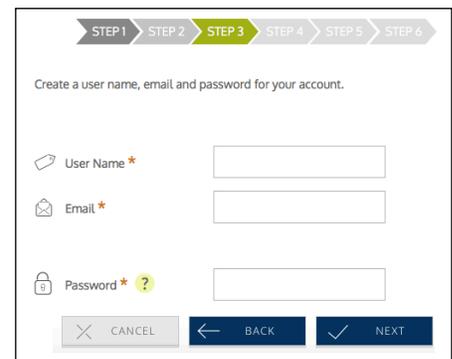
First Name \*

Last Name \*

Zip Code \*

Debit Card \*

2. Follow the prompts and enter your information to create your username and password.



STEP 1 STEP 2 STEP 3 STEP 4 STEP 5 STEP 6

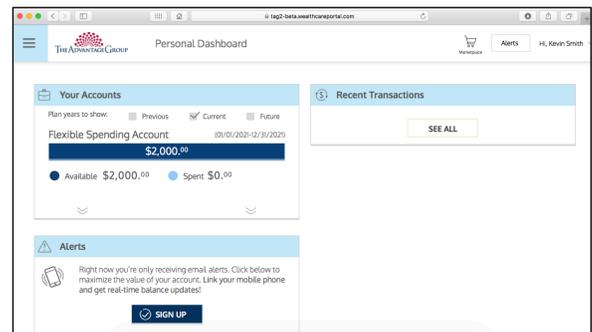
Create a user name, email and password for your account.

User Name \*

Email \*

Password \* ?

3. Your login is now established and you will be directed to your personal account page where you can view up to date account information and access a variety of additional account features.



The Advantage Group Personal Dashboard

Hi, Kevin Smith

Your Accounts

Plan years to show: Previous Current Future

Flexible Spending Account (01/01/2020-12/31/2025)

\$2,000.00

Available \$2,000.00 Spent \$0.00

Recent Transactions

SEE ALL

Alerts

Right now you're only receiving email alerts. Click below to maximize the value of your account. Link your mobile phone and get real-time balance updates!

SIGN UP

## SmartCard Debit Card Helpful Hints

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### **Swipe, Save, and Go.**

When you use your SmartCard debit card to pay for qualified purchases, the money is instantly deducted from your flexible benefits account(s). You won't have to reach into your pocket to pay for qualified expenses, file a claim, and then wait to get reimbursed.



### **Please keep in mind the following rules for debit card use:**

- 1) Keep receipts for all purchases for at least 30 days. You may be sent a statement requesting receipts for debit card purchase. Statements are sent out at the beginning of the month for the prior month's charges. Please make sure to include your receipt with your return statement.
- 2) Many dental and vision charges will require a detailed invoice from the provider to verify the claim is eligible payment from your flexible benefit accounts (ie: what service was provided, date of service & who the service was for).
- 3) Debit cards may only be used for a service that is provided within the current plan year. IRS guidelines state that claims are based on the date of service and not the date of payment when verifying claims.
- 4) Card swipes can only be made up to the available balance in your account. For example, if your purchase is for \$25.00 and there is only \$20.00 in your account, the entire purchase will be declined. Your balance is available online 24/7 at [www.enrollwithtag.com/wealthcareportal.com](http://www.enrollwithtag.com/wealthcareportal.com) or contact TAG participant support: (877)506-1660 / [support@enrollwithtag.com](mailto:support@enrollwithtag.com)
- 5) Please submit requested receipts in a timely manner to avoid debit card suspension. Suspended debit cards cannot be reinstated until all requested receipts have been submitted.

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

An FSA is an employer-sponsored plan that allows you to deduct dollars from your paycheck and deposit them into a special account that's protected from taxes. FSA accounts are exempt from federal taxes, Social Security (FICA) taxes and, in most cases, state income taxes. The money in an FSA can be used for eligible health and/or dependent care expenses that are incurred while you are participating in the plan.

## Why should I enroll in an FSA?

With an FSA, your out-of-pocket health and/or dependent care expenses are paid with tax-free dollars. You can save an average of 30 percent on all of your eligible expenses!

To calculate your potential savings, go to [www.enrollwithtag.com](http://www.enrollwithtag.com)

## What is a Health Care FSA?

A Health Care FSA is an account that provides you, your spouse and your eligible dependents with pretax reimbursement for qualified health care expenses that are not covered by insurance.

## What is a Dependent Care FSA?

A Dependent Care FSA is an account that provides pretax reimbursement for your eligible dependents' day care needs. Under certain circumstances, the account may be used to help pay for the care of elderly dependents or a disabled spouse or dependent.

## Am I eligible to participate in a Dependent Care FSA?

You are eligible for this benefit if you have a dependent (whose expenses are eligible) who requires care to enable you to work. In addition, you must meet one of the following eligibility criteria:

- You are unmarried.
- Your spouse works, is a full-time student, is actively seeking work, or is disabled (incapable of self-care).
- You are divorced or legally separated and have custody of your child even though your former spouse may claim the child for income tax purposes.

Your Dependent Care FSA can be used to pay for child care services provided the period the child resides with you. For a complete list of whose expenses are eligible for reimbursement through a Dependent Care FSA, please go to [www.enrollwithtag.com](http://www.enrollwithtag.com)

## What expenses are eligible for reimbursement?

### Health Care FSA

Health care plan deductibles, co-payments, prescription glasses, orthodontia, and certain over-the-counter medicines and supplies are eligible if incurred while you are a participant in the Plan. For a comprehensive list, please go to [www.enrollwithtag.com](http://www.enrollwithtag.com)

### Important Notes:

- Expenses are treated as having been incurred at the time the medical care was provided, not when you are formally billed, charged, or pay for the medical expenses.
- You cannot receive reimbursement for future or projected expenses.
- All submitted expenses are reviewed for eligibility according to Internal Revenue Code Section 125 guidelines.

### Dependent Care FSA

Eligible dependent care expenses may include services inside or outside your home by anyone other than your spouse or a person you list as a dependent for income tax purposes or one of your children under the age of 19. Services may be provided at a child or adult care center, nursery, preschool, after-school, or summer day camp.

### Important Notes:

- Dependent care for a child over 13, overnight camp, baby-sitting that is not work related, schooling in kindergarten and higher grades, and long-term care services are not eligible expenses.
- All submitted expenses are reviewed for eligibility according to Internal Revenue Code Sections 125 and 129 guidelines.

## How do I get started? It's easy as 1-2-3

1. Review and estimate your expenses to help determine the amount you should elect. Reviewing your checkbook, credit card statements, and insurance statements from the past year and calculating your health and/or dependent care costs is a good way to start. Enclosed is a worksheet to help you with your election decisions. You can also use TAG's online calculator by going to the following Web site: [www.enrollwithtag.com](http://www.enrollwithtag.com)
2. Complete the appropriate enrollment form and sign up for the FSA account(s) along with your other benefits during your employer's open enrollment period.
3. Once enrolled, you will receive confirmation of the amount you elected for each account (if applicable) and additional information on how to use and manage your new FSA benefits.

## How do I get the funds from my FSA account?

It's simple! Just complete, sign and submit an FSA claim form and include a copy of a receipt documenting the type, amount and date the expense(s) was incurred. Once approved, you will receive reimbursement according to your employer's scheduled reimbursement dates.

## What happens if I do not use all of the money in my account by the end of the plan year?

Federal law governing flexible spending accounts specifies that any money remaining in your account at the end of the plan year will be forfeited. This is more commonly known as the "use-it-or-lose-it" rule. However, your plan may have a "grace period" or "rollover" feature that allows additional time to use money from your FSA. See your SPD for plan details.

## Can I change my election amount during the plan year?

Your decision to participate in an FSA is binding for the entire plan year, and you may change your election only as permitted by IRS regulations. Generally, to make an FSA election change, you must experience a significant life event such as marriage, divorce, birth, or death in your immediate family. For a

Dependent Care FSA only, you may also make election changes that simply correspond with changes in your cost of the care. Your employer can provide you with information about these events, which FSA election changes you might be able to make as a result, and the procedures for reporting the event.

You may not reduce your election amount to an amount less than either your then-current FSA balance or your year-to-date FSA contributions. A change to your FSA election constitutes the end of your prior election and the beginning of a new election period. Expenses incurred during the period prior to the election change are subject to the initial election amount; expenses incurred during the period after the election change are subject to the new election amount.

## What happens to my FSA if I terminate employment?

Participation in the FSA ends if you terminate employment. This means only expenses incurred prior to the date your participation in the plan ends are eligible for reimbursement. Claims for expenses incurred prior to the plan termination date must be submitted within the "runout" period.

## What is the "runout" period?

The run out is a specified period of time after the end of the plan year, or following your termination in the plan, in which you may continue to submit claims incurred during your period of coverage. This is not a period when you are able to continue to incur new expenses, but rather it allows you time to gather and submit expenses before forfeitures are applied.

For example: If your plan has a 90 day run out period, you will have 90 days from your date of termination to submit expenses incurred prior to the termination date.

*For plan assistance please contact:*

**TAG Participant Support**  
**Phone: (877)506-1660**  
**Email: [support@enrollwithtag.com](mailto:support@enrollwithtag.com)**

## What are Transit and Parking Accounts?

The Transportation Equity Act for the 21<sup>st</sup> Century allows you to save taxes on your transit and parking expenses related to your daily commute to work. There is one account for each type of expense: a Transit Account and a Parking Account.

## How do I Save Money?

Because your account deductions are pretax, you can save on the out-of-pocket commuting and parking expenses that you incur. Your money goes further because you never have to pay tax on the money set aside for these accounts.

## What are the Maximum Contributions?

The IRS limits the amount of funds that you can contribute and be reimbursed with these accounts. Currently the 2021 limits are:

- Transit Account is \$270 per month
- Parking Account is \$270 per month

If you don't spend all the money you set aside, you may carry it forward to a future month for qualified expenses. Amounts remaining in accounts upon your termination are forfeited.

## When do I get reimbursed?

The Advantage Group (TAG), our plan administrator, pays all claims according to a schedule established the company. TAG processes all claims within one business day of receipt. Unless your claim is denied, you can expect to receive reimbursement on our next scheduled payout date.

In Transit and Parking Accounts, since claims are reimbursed based on what has been deducted from your paycheck and services fully rendered, there may be a delay in getting claims

reimbursed. You can minimize this by submitting claims in a timely manner.

## How does money get into my account?

You choose the *monthly* amount you want to contribute to each account. Each pay period, your contributions to the account are deducted from your paycheck and applied to your account. You may change your election for future pay periods by contacting TAG.

## What commuting expenses are eligible?

Transit expenses include mass transit costs, such as trains, subways and buses. Parking expenses include costs for parking at mass transit facilities, parking lots at (or near) your work or where you access your car/vanpool.

## How do I get reimbursed?

### 1. Rapid Claim Process (Parking only)

Step 1 – Submit a reimbursement claim through TAG's website or via fax or mail.

Step 2 – Include Required Documentation

Step 3 – Receive reimbursement via direct deposit or mailed check.

*Note: Expenses must be submitted within 180 days from date of purchase to be eligible for reimbursement.*

### 2. Debit Card Purchases (Transit or Parking)

Use your takecare® debit card at eligible transportation agencies. The allowable cost of your purchase will be deducted directly from your commuter account.

## More Information:

The Advantage Group Website

- [www.enrollwithtag.com](http://www.enrollwithtag.com)
- Online Claim Entry
- Account Information