

Healthcare FSA: Frequently Asked Questions

What is a Flexible Spending Account (FSA)?

An FSA is an employer-sponsored plan that allows you to deduct pre-tax dollars from your paycheck and deposit them into a special account that's protected from taxes.

What is a Healthcare FSA?

A Healthcare FSA is an account that provides you, your spouse and your eligible dependents with pre-tax reimbursement for qualified medical, dental, and vision care expenses that are not covered by insurance.

Why should I enroll in a Healthcare FSA?

With an FSA, your out-of-pocket medical expenses can be paid with tax-free dollars. The plan can reduce a percentage of your tax liabilities dependent upon your tax bracket.

How does the pre-tax deduction work?

Your election amount will be deducted from your first and second paychecks each month. You will not pay FICA, federal income tax, and state taxes on the election amount at any time. You will be spending tax-free dollars to pay for expenses.

Are there any forms that must be submitted at year end when using a Healthcare FSA, i.e. with tax return?

No, the pre-tax contributions toward the Healthcare FSA plan will lower the taxable income listed on your W2.

Who is eligible to use the Healthcare FSA?

Employees scheduled to work 30 or more hours per week, spouses, and eligible dependents may use the account whether they are covered under the Franklin County Cooperative Health Improvement Program or not.

How do I enroll in a Healthcare FSA?

You may enroll in the Healthcare Flexible Spending Account each year during Open Enrollment. Certain Qualifying Life Events also provide the opportunity to make changes to your plan. Your change must be consistent with the Qualifying Life Event. To enroll or make changes to your plan login to the benefit enrollment site at <https://fccbenefits.com>. The Company Key is fcc (all lowercase).

How do I decide how much money to put into the Healthcare FSA?

There is a minimum annual deduction of \$120 and a maximum of \$2700. Your monthly deduction will be split between the first and second pay of the month.

When can I start using my Healthcare FSA funds?

The total dollar amount you elect is pre-funded into your account at the start of the year, or on your benefits effective date. Payroll deductions to collect the funds will be made throughout the plan year.

What types of medical expenses are eligible for reimbursement?

Examples include annual deductibles, office visit and prescription co-pays, dental and orthodontia expenses, vision-related expenses including laser eye surgery. Review the FSA Eligible and Ineligible Expense List at:

www.bewell.franklincountyohio.gov

When is an expense considered incurred?

This is when the service is actually provided, not when you are billed or pay for services.

Will I be required to provide a letter of medical necessity and/or a prescription for Over the Counter (OTC) purchases using my FSA account?

All over-the-counter (OTC) products with a medical ingredient require a prescription from a doctor. You will be required to provide the FSA Administrator with the prescription and an itemized receipt when you submit a claim for reimbursement.

Can a gym membership be considered an eligible expense?

Yes. You must submit a letter of medical necessity that lists the specific diagnosis, such as morbid obesity. Gym Memberships are not an eligible expense for general health and wellness. Also for the gym membership to be eligible, the employee cannot be a member of a gym prior to the letter of medical necessity being written.

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How do I use my FSA to pay for a reoccurring expense?

The system can be set up to mark the amount from a provider for a reoccurring expense, such as a monthly orthodontic payment. You need to submit a copy of the orthodontist contract showing the monthly reoccurring payments.

If I finance orthodontia treatment, can I use the FSA card to pay the finance company? Can I be reimbursed what I may have already paid to the finance company?

No. If the orthodontia treatment cost is financed through a 3rd party, the orthodontic expenses cannot be reimbursed.

What medical, dental, and vision care expenses are not eligible for reimbursement?

Examples include: cosmetic procedures, teeth whitening, non-prescription sunglasses. Claims submitted before treatment occurs are not eligible for payment. All submitted expenses are reviewed for eligibility according to Internal Revenue Code.

How do I use the Healthcare FSA to pay for eligible medical expenses?

Once you enroll you will receive a purple MyChoice Flexible Spending Account Debit VISA card in a non-descript envelope. You may pay for eligible medical expenses with your VISA Debit card. You may also submit a claim form with documentation to your claims administrator for reimbursement.

Can I use the FSA card to pay for items online or through mail order for pharmacy copays?

Yes, as long as the provider or vendor has their credit card system registered with a valid merchant category code. You can use this card instead of using your own bank card.

Do I need to submit supporting documentation when I utilize my FSA debit card?

Sometimes. When you use the FSA card and the transaction is approved at the point of sale, the provider or vendor has received their funds and they will consider the transaction complete. If the amount of the transaction cannot be approved via the auto approval parameters that are coded in the system, the FSA Administrator will request a copy of the itemized receipt or EOB for the transaction to verify that the transaction was for eligible expense.

Please refer to the IRS for more information:
Health Care Flexible Spending Accounts: go to www.irs.gov/publications/p502
10.24.2018

How will the card system know if I am trying to use the debit card to buy an ineligible item?

Retailers use a technology called IIAS that stands for Inventory Information Approval System. It ensures that Healthcare FSA debit cards only work for eligible expenses under IRS regulations. Every item in the store's database is flagged "yes" or "no" for plan eligibility at the point of sale.

When does my FSA debit card expire?

Your FSA debit card expires every three (3) years.

How do I submit a claim form for reimbursement?

Log into <https://fccbenefits.com> or use the MyChoice Mobile App to submit your claim electronically or you may submit a claim form with documentation via e-mail, fax, or U.S. Mail.

Email: claims@mychoiceaccounts.com

Fax Number: 855-883-8542

U.S. Mail: *MyChoice Accounts MSC 345475*

PO Box 105168

Atlanta, GA 30348-5168

How will I receive my payment if I submit a manual paper claim form?

There are two (2) ways to receive a payment:

1. Direct Deposit into your checking or savings account
2. Check via U.S. Mail

Who do I contact for questions regarding claim inquiries?

For claims inquiries please contact the FSA Administrator toll-free at (855)883-8541.

Is there an appeal process?

Yes. The FSA Administrator, Businessolver, will review and make a decision on all appeals.

What is the run-out period for submitting claims for expenses I pay for during the FSA calendar year?

Claims for expenses that were incurred or took place in the FSA calendar year may be submitted for reimbursement until March 31 of the next year.

What happens if I do not spend all of the money in time?

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Money left in your account after the end of the 90-Day run-out period cannot be refunded to you; this is referred to as the “*Use-it or lose-it rule*”.

If I were to end my employment before December 31 and become eligible for COBRA benefits coverage can I continue to contribute to my Healthcare FSA?

Yes, you would make after tax payments to the COBRA administrator, who would notify the Flex team that you have made a payment to remain active in the FSA plan for another month. The downside would be that if you decide to remain active in the HCFSAs plan through COBRA through the end of the plan year, you would be contributing 102% to receive 100% in reimbursements.

Would I have the option of continuing to use what funds are remaining in my HCFSAs?

You would be eligible for FSA COBRA if you have contributed more to the Healthcare FSA than you have been reimbursed at the time you lose coverage.

What happens to the money if I terminate my employment?

Your final paycheck will have the normal deduction and your participation will end. You may be reimbursed only for services incurred on or before your termination date. The run-out period for mid-year terminations is 90 days post termination date.