



Application for HRA/FSA Plans

Service(s) Requested with FlexAmerica

Please check one: [] HRA (Complete Sections 1-5) [] POP (Complete page 1 and Section 7 Plan Document Design)
[] FSA (Complete Sections 1, 2, 6-9) [] Section 132 Transportation Benefits (Complete pg 1 and Section 10)

Section 1 - Contact Information

Please enter applicable contact information.

1. Wholesaler/DBE: Benefit Design Group Phone: 410.494.0010 E-mail:

Full Address: 600 Washington Avenue, Suite 104, Towson, MD 21204

2. Broker: Phone: E-mail:

Full Address:

3. CareFirst Service Rep: Lacey Cohen Phone: 410.998.7500 E-mail: Lacey.Cohen@Carefirst.com

4. CareFirst Sales Rep: Lacey Cohen Phone: 410.998.7500 E-mail: Lacey.Cohen@Carefirst.com

Section 2 - Employer Information

5. Plan Year Effective Date: (MM/DD/YYYY) Plan Year End Date: If short plan year please specify if funding will be pro-rated in Section 3. 6. Total Number of Eligible Employees:

7. Tax ID # (TIN): - 8. Health Insurance Plan Group#:

9. Employer's FULL legal name:

10. Corporate Mailing address (no., street, city, state, zip): 11. Preferred Mailing address (no., street, city, state, zip):

12. Employer Main contact: E-mail:

Phone: Fax:

13. Corporate structure: [] C-Corp [] S-Corp** [] LLC** [] Partnership** [] LLP** [] Non-Profit [] Other

**Owners are eligible to participate in the health plan but are not eligible to participate in Cafeteria Plans.

14. Affiliate Name & TIN: Address:

We understand and agree to the terms and conditions outlined by this application. We confirm that all information provided on this application is accurate.

Authorized Employer Signature

Date

Please retain a copy of the Terms and Conditions for your records.

Section 3 - HRA – Health Care Reimbursement Account

****Funding amount does not need to equal Health Plan deductible. The funding amount is determined by the employer and may be more, less or equal to the deductible. Please note that if you have a short plan year you should enter the amount you wish to fund for the short plan year. Please contact FlexAmerica if you have any questions.**

15. Ineligible Participants

**** All employees, including 2% S Corp, LLC, Partners and LLP owners are automatically enrolled in the HRA; however HRA reimbursements received are taxable and should be reported as income. Please consult your tax professional for additional guidance.**

Plan Options :

16. HRA Plan # 1: Individual 2-Party/Family
Health Plan Deductible: \$ _____ \$ _____

Employer HRA funding amount: \$ _____ \$ _____

100% of claim will be paid from HRA funds up to funding amount (Standard Option)

Other \$0.00 - \$ _____ will be paid from HRA funds at _____ %
 \$ _____ - \$ _____ will be paid from HRA funds at _____ %

HRA Funds may reimburse claims from CareFirst auto claims file; and All IRS Section 213(d) expenses

16a. HRA Plan # 2: Individual 2-Party/Family
Health Plan Deductible: \$ _____ \$ _____

Employer HRA funding amount: \$ _____ \$ _____

100% of claim will be paid from HRA funds up to funding amount (Standard Option)

Other \$0.00 - \$ _____ will be paid from HRA funds at _____ %
 \$ _____ - \$ _____ will be paid from HRA funds at _____ %

HRA Funds may reimburse claims from CareFirst auto claims file; and All IRS Section 213(d) expenses

17. Initial Funding Options

- Full annual contribution up front
- Per pay contribution (please provide payroll calendar)

18. Short plan year, if applicable:

- Full contribution amount
- Prorated contribution

19. Mid-Year Hiring Contributions

- Full annual contribution
- Prorated contribution (ex. Contribution divided by 12 x number of eligible months)

22. Are HRA funds being rolled from a prior TPA?

- No Yes (Attach summary)

20. At termination, if a participant wishes to elect COBRA for their HRA benefit, is the benefit:

- Bundled (*must elect for health insurance and HRA*)
- Unbundled (*can choose to elect either HRA, Ins. or both*)

Note: COBRA must be offered for health plan and any HRA plan where the employer contribution is \$500.00 or more.

21. Will your company be offering the spend down feature? This option is only available if you select the unbundled option. The extension only applies to the spend-down feature.

- No Yes, specify length 6 months 12 months

23. Unused funds at the end of the plan year will be:

- Forfeited by the employee
- Rolled over to the next plan year
- Rolled to the next plan year up to \$ _____ maximum or _____ %

Section 4 - Reporting Responsibilities (HRA)

24. Will you need FlexAmerica to prepare a 5500 for your Plan? Yes No

25. If yes, what is Plan Year end date for the first year FlexAmerica will be responsible for this preparation? / /

Printed name of signer: _____

Date: / /

Signature _____



Section 5 - Banking for Claim Payment (HRA/FSA)

Please select 1 of the 3 options below for your participants reimbursement for claims reimbursement:

**** Note: FlexAmerica does not hold any funds**

Option 1 – Automated Clearing House (ACH): Reimbursement checks & direct deposit transactions will be processed directly from FlexAmerica’s company account.

We, the undersigned, hereby authorize FlexAmerica, Inc. to initiate ACH (automated clearing house) transfer entries for the depository indicated below for claims reimbursements at the depository named below, hereinafter called Depository. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of US Law.

FlexAmerica, Inc. will initiate an automated transaction to pull the monies from your designated account to FlexAmerica, Inc.’s account for the exact amount of the reimbursements for the week as posted to the Checks Paid report on www.flexamerica.com. Reimbursement checks & direct deposits to your participants are mailed/initiated on Thursday & the automated transaction from your account will occur on Friday or Monday following. Bounced automated withdrawals from your account will incur a \$100 charge.

Bank/depository name, branch & address:	Account #:	Routing #:
Printed name of signer:	Date: / /	Signature _____

Option 2 – Client Checking Account (Direct Deposit Optional): FlexAmerica will write checks from the employer’s account.

The signer on the account will be:

- FlexAmerica (please provide a signatory card from your bank)
- Individual at your office (one-time fee of \$300 for a custom signature)

Attach a copy of a voided check from the account. If you do not have checks for this account, ask your bank to provide a “MICR spec sheet” so the checks can be set up properly.

Bank/depository name, branch & address	Account #:	Routing #:
---	-------------------	-------------------

Starting check # **Custom Laser Signature Box - Use black ink to sign in the box below:**

- Void check attached MICR spec sent

Custom Signer’s Name:

We, the undersigned, hereby authorize FlexAmerica, Inc. to initiate ACH (automated clearing house) transfer entries for the depository indicated above for claims reimbursements at the depository named above, hereinafter called Depository. I (we) acknowledge that the origination of these transactions to/from my (our) account must comply with the provisions of US Law.

FlexAmerica, Inc. will initiate an automated transaction to pull the monies from our designated account to FlexAmerica, Inc.’s account for the exact amount of the direct deposit reimbursements for the week as posted to the Checks Paid report on FlexAmerica’s website. Direct deposits to our participants are mailed/initiated on Thursday & the automated transaction from your account will occur on Friday or Monday following. Bounced automated withdrawals from your account will incur a \$100 charge.

Printed name of signer:	Date: / /	Signature _____
--------------------------------	----------------------	------------------------

Option 3 – Remittance Advice Only: FlexAmerica will print remittance statements for all of the processed claims. The payable reimbursement amounts will be posted to our web site. The employer will credit these amounts to the employees via a reimbursement check or a credit to their next paycheck. (The mbi debit card is not available with this bank option.)

Section 6 - Banking for Fee Payment (FSA)

Administrative Fees Payment: FlexAmerica will automatically withdraw administrative fees for the program(s) on the 15th of the month

We, the undersigned, hereby authorize FlexAmerica, Inc. to initiate ACH (automated clearing house) transfer entries for the depository indicated below for administrative fees at the depository named below, hereinafter called Depository. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of US Law.

FlexAmerica, Inc. will initiate an automated transaction to pull the monies from your designated account to FlexAmerica, Inc.’s account for the exact amount of the fees for the month for the billing report available on www.flexamerica.com. Bounced automated withdrawals from your account will incur a \$100 charge.

Bank/depository name, branch & address:	Account #:	Routing #:
Printed name of signer:	Date: / /	Signature _____

This authority is to remain in full force and in effect until FlexAmerica has received written notification of its termination in such time as to afford FlexAmerica a reasonable opportunity to act on it.

Section 7 - FSA – Flexible Spending Account

26. Accounts Offered (Check all that apply):

- | | | |
|--|---------------------------|---------------------------------------|
| <input type="checkbox"/> HealthCare Spending (HCA) | Minimum required \$ _____ | Maximum allowed \$ _____ |
| <input type="checkbox"/> Dependent Care Spending (DCA) | Minimum required \$ _____ | Maximum allowed \$5000.00 (IRS Limit) |
| <input type="checkbox"/> Premium Reimbursement (PRA) | Minimum required \$ _____ | Maximum allowed \$ _____ |
| <input type="checkbox"/> POP Plan | | |
| <input type="checkbox"/> Transportation Benefits (Section 132) | | |

27. Health Claim Processing with HRA

-
- HCA pays first then HRA
-
-
- HRA pays first then HCA
-
-
- N/A – Not offering HRA

28. Administration fees paid by:

-
- Employer
-
-
- Participant (these amounts must be deducted separately from account elections)

29. Contributions are:

-
- Salary redirection only
-
-
- Employer funding & salary redirection
-
- If yes how much Employer Funding will be provided to each employee the first plan year? \$

30. Employer Funding applies to accounts:

-
- 100% up front
-
-
- Pro-rata per-pay
-
-
- Other _____

31. Run-out period for filing claims:

-
- 90 days
-
-
- 120 days (recommended if Grace Period is selected)
-
-
- other _____ days

32. Grace period for incurring expenses:

-
- None
-
-
- 75 days

Enrollment Process

33. Enrollment for your staff can be completed online, please assign the following data:

Site Open Date: / / Site Close Date: / / (two week time period recommended)

34. Options for Continued Data Transmission to FlexAmerica:

-
1. Enrollment & Deposit data provided via ASCII file sent each payroll.
-
-
2. Enrollment data provided via FlexAmerica's web site. Deposits provided via ASCII file sent each payroll.
-
-
3. Enrollment data provided via FlexAmerica's web site. Deposits assumed based on elections & payroll dates.

35. Select all payroll schedule that apply:

-
- Weekly (52)
-
-
- Bi-weekly (26)
-
-
- Semi-monthly (24)
-
-
- Monthly (12)
-
-
- Other Please specify _____

 Deposits will be posted to your participants' accounts each Thursday for the week in which the deduction actually occurs. The deduction is considered to have occurred on the date the paycheck is provided to the employee. All deductions occur within the plan year.
Important - Please provide a payroll calendar that reflects when each deduction will occur for the plan year specified in Section 2, question 5.

Plan Document Design

36. This application is:

- | | | |
|---|---|---|
| <input type="checkbox"/> New Plan | <input type="checkbox"/> Takeover of existing POP | <input type="checkbox"/> POP adding FSA |
| <input type="checkbox"/> Takeover of FSA at renewal | <input type="checkbox"/> Mid-year takeover of FSA | <input type="checkbox"/> Other |

37. Plan Name:
38. Original effective date: (Previous POP or FSA)

/ /

39. Original ERISA Plan #:
40. Is this a wrap document?

-
- No
-
- Yes

41. This Plan Year begins:

/ / Date will vary for short plan years.

42. Regular Plan Year begins:

/ /

Regular Plan Year ends:

/ /

43. Eligibility/entry conditions for Cafe Plan (includes premium expenses):
 Same as employer's group medical
 Other: _____

44. Healthcare Spending eligibility/entry:
 Same as employer's group medical
 Other: _____
 Does this apply to Dependent Care also?

45. Group medical insurance eligibility/entry:
 Date of hire (#) _____ days / months employment
 1st of the month following (#) _____ of days / months employment

46. Will premium deductions automatically be pre-tax deductions, or does the employee have to positively elect the pre-tax option?
 Automatic Positive election

47. Premiums pre-tax under this Section 125:
 Health Dental Vision Life
 AD&D LTD STD Cancer
 Rx Drug

48. For employees who fail to re-elect (at renewal), the pre-tax deduction for insured premium is:
 Continued Discontinued

Section 8 - Reimbursement Claim Processing (FSA)

49. FlexAmerica is responsible for claims incurred after what date? / /

50. Flex Debit Card offered
 No Yes

Plan Compliance

51. All Cafeteria Plans require non-discrimination testing. FlexAmerica tests plans at the beginning of each Plan Year for all employers who elect this service. If the Plan isn't passing, we will recommend corrections and at no extra charge will re-test the Plan again prior to the start of the 4th quarter of the plan year. Will you need FlexAmerica to perform non-discrimination testing for your Plan? Yes No

Section 9 - Reporting Responsibilities (FSA)

52. Will you need FlexAmerica to prepare a 5500 for your Plan?
 Yes No

53. If yes, what is Plan Year end date for the first year FlexAmerica will be responsible for this preparation? / /

Printed name of signer: _____

Date: / /

Signature _____

This authority is to remain in full force and effect until FlexAmerica has received written notification of its termination in such time as to afford FlexAmerica a reasonable opportunity to act on it.

Section 10 – 132 Plan Design

54. Select Option 1 or 2 below for Transit & Parking – you can use one for each or the same for both Parking & Transit

Option 1 – Purchase Driven
 Passes purchased monthly online through Wired Commute
Monthly Cutoff Date: / /
Purchase Month: _____
 Transit Parking Parking w/ reimbursement option
 Purchases that are over IRS pre-tax maximum:
 Payroll deductions for post-tax as well as pre-tax purchases
 Allow Participant to use personal credit cards for post-tax purchases

Option 2 – Election Driven
 Elections made in advance – debit card or cash reimbursement
 Transit Parking
 Election changes are only allowed:
 Monthly Semi-Annual Other _____

New Case Submission Check List

FSA, POP & Section 132 Services:

Send information during the implementation process to newbusiness@flexamerica.com.

Task – please check off as completed
Submit application <input type="checkbox"/> Including signed letter of agreement & setup fee <input type="checkbox"/> All applicable sections of the application <input type="checkbox"/> All payroll schedules for deductions <input type="checkbox"/> Voided check or MICR spec sheet (if using bank option 2) <input type="checkbox"/> FlexConvenience Card forms – if using this option <input type="checkbox"/> Short Plan Year Dates: _____
<input type="checkbox"/> ER Funding Summary. _____
<input type="checkbox"/> Sub-Groups Needed: Details _____
<input type="checkbox"/> Election Format – Please select one: _____ Paper Elections _____ Web File: Dates _____ _____ EDI File
Mid-Year FSA Takeover Plans Only: <input type="checkbox"/> Submit Claims report detailing: <ul style="list-style-type: none"> • Each employees' contribution year to date per each account • Claims paid year to date per account
<input type="checkbox"/> Submit Discrimination Testing Information <ul style="list-style-type: none"> • Employee Name • Ownership & officer designation • Current annual income & prior year gross income • Annual Benefit Costs
NOTE: our file layouts for discrimination testing can be downloaded with your internet browser from our FTP site. This site is located @ ftp://www.flexamerica.com/compdesignco/
<input type="checkbox"/> Designated ACT fields Completed (For FlexAmerica use only)

Claim processing will not commence until all required information is submitted to FlexAmerica. The weekly cut-off is Monday 12:00 pm eastern time for the check run for Thursday. Employees who call in to FlexAmerica will be told that we are waiting for information from the employer and any further requests should be directed to the HR department.

For FlexAmerica use only. Please do not write in this area.
<input type="checkbox"/> Invoice required for set up fee? \$ _____
<input type="checkbox"/> Invoice required for takeover fee? \$ _____/per participant
<input type="checkbox"/> Invoice required for marketing material? _____ # of brochures over contract amount
<input type="checkbox"/> Case quoted with commission? \$ _____ or _____%
Contact for incomplete application information: <input type="checkbox"/> Sales Rep <input type="checkbox"/> Broker <input type="checkbox"/> Client
<input type="checkbox"/> List any non-standard items: _____ _____ _____

Terms & Conditions

General

- Employers must notify FlexAmerica of employees who are on leave of absence whether to pay claims, cease claim payment or reduce the election
- Direct deposit to members' bank accounts for reimbursement of claims is included with all FSA and HRA accounts.
- All fees will be paid via ACH

HRA

- **** All employees, including 2% S Corp, LLC, Partners and LLP owners are automatically enrolled in the HRA; however HRA reimbursements received are taxable and should be reported as income. Please consult your tax professional for additional guidance**
- Only employers may contribute to HRA accounts
- Members must contact FlexAmerica directly to set up direct deposit (in lieu of a check) for HRA claims reimbursement
- Employees have 90 days to send in claims after the HRA plan year end
- Claims incurred after termination date are not paid
- Claim eligibility will match underlying CareFirst medical plan
- Reimbursement requests will not be mailed for less than \$10 until the end of the plan year
- FlexAmerica is not responsible for recouping HRA funds paid due to a late termination
- Vision claims will be excluded from the plan claim files
- CareFirst will send RX claims for reimbursement if RX claims are subject to integrated medical and RX deductible
- FlexAmerica processes and mails HRA claims reimbursement each week
- Plans where the contribution is > \$500 per annum are subject to COBRA
- FlexAmerica will receive electronic claim and enrollment files from CareFirst
- The debit card is not available for HRA
- Employers have the option upon the termination of a HRA member to permit the member to 1) elect COBRA coverage for the HRA and receive additional employer contributions for the HRA as would an employed HRA member, or 2) offer the option to spend down their remaining HRA account balance.
- Mid Year coverage changes will be paid based on account available balance. Prior claims will not be re-processed.

FSA

- Annual maximum deferrals are: Daycare=\$5,000 per year, Healthcare=set by employer, Parking=\$205 per month, Transit=\$105 per month
- If premium only option is selected, the plan document will allow pre-tax deductions for the following items, medical dental, vision
- Reimbursement requests will not be mailed for less than \$10 until the end of the plan year
- FSA claims grace period is 90 days after the end of the plan year and recommend 120 days if 75 day grace period is selected.
- Import file layout may be obtained at www.flexamerica.com/pdf/file.pdf
- FlexAmerica provides service updates via email and the employer agrees that they will read and act on these updates.
- FlexAmerica performs the following general FSA functions, including: verification of proper documentation of the expense; screening for duplicate payment; calculation of reimbursement due; and payment directly to the participants via FlexAmerica check or direct deposit.
- Plan set-up may be delayed if the set-up timeline is not maintained
- Faxed claims received by Tuesday at 11:59 PM are processed and mailed each Thursday while mailed claims are send offsite for scanning which can take up to 5 additional days.
- Direct deposit payments for claim reimbursement are initiated each Friday morning
- Employers are responsible for formally notifying FlexAmerica to remove accounts, removing them from the file does not eliminate the account
- FlexAmerica will appoint a dedicated account manager to your plan responsible for general plan guidance including legislative interpretation, renewal coordination and issue resolution.
- Employer funded claim payments are initiated on Friday. The funds are usually withdrawn between Friday afternoon and Monday.
- Emails submitted to customer service are replied to within 24 hours, Monday through Friday, during normal business conditions.
- Healthcare spending accounts and HRA's are subject to COBRA and FlexAmerica does not send COBRA notices unless we are contracted to provide COBRA services.

- FlexAmerica provides one hard copy of a standard plan document, summary plan description and business associate agreements. Custom document work is not recommended by FlexAmerica and the amendment of these plans will incur additional fees.
- FlexAmerica will post the Summary Plan Description (SPD) on the web site accessed by members.
- Legislative amendments or document re-writes will be supplied by FlexAmerica to employers using FlexAmerica's prototype documents.
- Fees are guaranteed for 12 month unless otherwise noted.
- Employers must fund the plans and will be responsible for overdraft charges and all banking fees if the claims are not funded in a timely manner including, but not limited to overdrafts, bounced checks, and stop payments
- It is the responsibility of the employer to track and send timely member data and deposit electronic import files
- Employers who select administration based on "automatic assumed deposits" are responsible for notifying FlexAmerica in a time manner of additions, termination and changes through FlexAmerica's web site
- Employers may send in ongoing eligibility and deposits data through a standard file format.
- The employer is responsible for the accuracy of data files as well as sending files in a timely manner.
- FlexAmerica is not responsible for claims paid after the termination date where the employer notifies FlexAmerica late or provides inaccurate data files.
- Employers who send deposit import files may use exact deductions and annual election amounts; FlexAmerica will round down elections to the nearest penny for employers who use assumed accruals.
- Adds, terms and changes posted online or via electronic files are completed within 5 business days
- All electronic files received before 12:00 PM eastern time on Wednesdays will be processed for the Thursday check run
- FlexAmerica performs data analysis nightly before complete claim and eligibility data is available online
- Employers may provide FlexAmerica with alternate user name and passwords via electronic import files provided they do not conflict with other user names
- FlexAmerica will stop processing claims after the maximum reimbursement has been reached
- Participants may be contacted for the following reasons: the entire claim is denied; the day care claim is not be reimbursed; or the fax record is not complete
- The standard statement policy is to send statements 90 days before the end of the plan year and at the end of the plan year.
- Participants may elect to receive daily e-mail updates for claim and checks
- Check reissues are completed after the check has been non-delivered for 14 days
- Participants are required to itemize claim requests
- Wire may be accepted at the discretion of FlexAmerica and the fee depends on the number and source of the wire.
- Plan year data is maintained online for 9 months after the end of the plan year.
- FlexAmerica relies on outside vendors for some of our services which may, from time to time, impact our services

Debit Card for FSA only

- FlexAmerica's standard approved merchants will be authorized for debit card use
- Force Post Transactions (which represent less than 1% of transactions) are transactions that a merchant has forced through for payment without the proper approvals. These transactions may not be stopped due to a MasterCard policy and may result in overpayments or ineligible charges to be processed. FlexAmerica, Inc. has procedures in place with Medi-Bank to identify and recoup any ineligible payments made in this manner.
- Member Social Security numbers are required for all debit card accounts
- The debit card is a non-pin based card
- Merchants charges may be denied if the merchant is not an approved merchant for use with this plan or if the merchants terminal is not coded properly
- Additional debit cards, or replacement cards, for family members may be issued for \$5 each
- Debit cards are valid for multiple plan years and should not be destroyed.
- Debit cards are mailed within 14 days of approval from FlexAmerica unless the employer is notified of a delay
- Employers or cardholders will not be responsible for fraudulent charges; however, the proper documentation must be filed with FlexAmerica to start the refund process
- Charges in excess of the available balance will result in a denied transaction
- Debit card charges may only be used to pay for expenses incurred in the current plan year for FSA plans or after their HSA eligibility date
- Termination dates communicated to CareFirst or FlexAmerica will immediately inactivate the debit card requiring claims to be submitted via paper (FSA) or withdrawn via check (HSA)
- FSA participants using the debit card must document all non-co-pay claims after the charge or the card will be inactivated. FlexAmerica will send reminders via email or mail for claims requiring documentation.
- FlexAmerica's letter process involves sending document requests on the 25th of each month. If proper documentation is not submitted after 45 days, the card is temporarily inactivated.

CareFirst BlueCross BlueShield is the shared business name of CareFirst of Maryland, Inc. and Group Hospitalization and Medical Services, Inc.

CareFirst BlueCross BlueShield and CareFirst BlueChoice, Inc. are independent licensees of the Blue Cross and Blue Shield Association.

® Registered trademark of the Blue Cross and Blue Shield Association. ® CareFirst is a registered trademark of CareFirst of Maryland, Inc.

- FSA purchases for Over the Counter (OTC) items will require debit card substantiation unless they are purchased through *drugstore.com* or *Walgreens* and all items purchased can be substantiated by the merchant as eligible.
- Documentation for debit card claims must be faxed to a dedicated fax number. These should not be submitted with traditional claim requests
- Participants who use the debit card for invalid charges will be instructed to refund the money, via check, to FlexAmerica payable to the employer.
- FlexAmerica will adjust the accounts and forward the refund to the employer.
- Employers are required to adjust employees' W2's for claims that are not documented
- Debit card funding occurs 6 days a week and must be withdrawn from an employer account; optionally, employers may opt to receive a daily funding email for debit card transactions. Wire funding is not acceptable and there is a \$100 charge for NSF.
- Employer will assist FlexAmerica in collecting email addresses
- FlexAmerica is not responsible for incorrect or invalid email addresses when requesting documentation.
- Employers may pay an additional \$.75 per participant per month to have all documentation requests sent out via US mail.
- Employers, at their option, may opt for using the debit card for co-pays only. This helps to reduce the substantiation requests
- Employers are responsible for sending updated co-pay information to FlexAmerica upon changing the health plan co-pays.
- Participants cannot use the current year funds to pay for expenses incurred in prior plan years and claim reimbursements after the end of the plan year must be submitted and will be reimbursed through a check.

Form Completion Assistance

Section 2 – Employer Information

5. Plan Year Effective Date/Plan Year End Date

Please enter plan year effective date (MM/DD/YYYY) and Plan Year End Date

6. Total Number of Eligible Employees

This number should be the total number of employees who are eligible to participate not the number of employees who elect the benefit.

9. Employer's FULL legal name

This is the name that will be used for all legal plan documentation and/or IRS filings. Please make sure to include your entire name exactly how it appears on corporate licensing and tax filings.

12. Main contact

Please provide the name and contact information for the person responsible for day-to-day communications. We will set this person as the main user of our web site, and they will have access to set up as many additional user accounts as desired.

14. Affiliates

Please provide all affiliated companies who are providing benefits under this Plan. Do not list divisions. An Affiliate is a related company with its own TIN and has 70% or more common ownership.

Section 3 – HRA

15. Ineligible Participants

**** All employees, including 2% S Corp, LLC, Partners and LLP owners are automatically enrolled in the HRA; however HRA reimbursements received are taxable and should be reported as income. Please consult your tax professional for additional guidance.**

16. HRA Plan # 1

Provide the health plan deductible and annual funding amount that the Employer will provide to each employee for their HRA. Please note the funding amount does not need to equal the Health plan deductible. The

finding amount is determined by the employer and may be more, less or equal to the deductible. Indicate how the claims will be reimbursed. Will FlexAmerica be processing only reimbursements that are provided directly from CareFirst via file transmission, or will the account also allow for claims submission for other types of IRS section 213 (d) allowed expenses, such as the spouse's insurance, health expenses not covered under your plan, over the counter medication, medical travel expenses, etc.

16a. HRA Plan # 2

Follow instructions for box # 16 if a second HRA is offered.

17. Initial Funding

Please specify if contributions will be up front or per pay.

18. Short Plan Year, if applicable

Please specify if contribution amounts will be prorated based on remaining months or full plan contributions.

19. Mid-Year Hiring Contributions

If an employee is hired during the middle of a plan year, the employer should specify if the employee will get the full contribution or a prorated portion based on the amount of eligible months.

20. At termination, if a participant wishes to elect COBRA for their HRA benefit, is the benefit:

Please specify whether the HRA is bundled with the health plan (must elect COBRA for health insurance and HRA) or unbundled (may chose to elect COBRA independently for HRA, health insurance or both.). COBRA must be offered for health plan and for any HRA plan where the employer contribution is \$500.00 or more.

21. Spend Down Feature

Spend Down Feature – Employers can allow participants to spend down their balance at termination without electing COBRA. Participants would be allowed to submit claims incurred

after their termination for reimbursement until their balance has been exhausted. If yes, please specify the number of months participants will be allowed to utilize this feature.

22. Are HRA funds being rolled from a prior TPA?

FlexAmerica can assume the funding from a prior TPA if you can provide a report showing the FINAL balances after the prior TPA has completed their claims processing.

23. Unused funds will be:

Please select whether employees will forfeit unused funds at the end of the plan year grace period each year or if some (or all) of the remaining funds can be rolled to the next plan year.

Section 4 – Reporting Responsibilities

24. Will you need FlexAmerica to prepare a 5500?

5500 filings are only required for HRA plans with greater than 100 participants and FSA plans with greater than 100 HCA participants. For those plans, FlexAmerica can provide a signature ready form. Please indicate if we will be responsible for providing this service.

25. If yes, what is the first year

Provide the Plan Year end date (the last day of the Plan Year) for the first filing you need FlexAmerica to prepare for you.

Section 5 – Banking - Claim Payments

FlexAmerica offers the employer three (3) standard options for the funding of their account(s). All options stipulate that the employer hold the funds until employees present eligible claims for reimbursement to FlexAmerica. The options are described below in order of popularity.

Option 1 - Automated Clearing House (ACH) debit: The employer's account is automatically debited the entire dollar amount needed to fund

the week's claims. Email notification of the total dollar amount being drafted along with instructions to view the web site for details on individual reimbursements prior to the draft is provided to the employer on Thursday with the release of the funds. Reimbursement checks and direct deposit transactions are processed from FlexAmerica's company account.

FSA and HRA participants with the debit card will also use this account for MBI debit transactions. The employer is automatically debited the entire dollar amount needed to fund the previous day's transactions. Email notification of the total dollar amount being drafted is provided to the employer each banking day for transactions that will be debited the next morning.

Option 2 - Client Checking

Account: FlexAmerica will print reimbursement checks from the client's designated company account. FlexAmerica will either be a signer on the account or the employer's signature will be laser reproduced on the checks. Email notification of the total dollar amount being processed, along with instructions to view the web site for details on individual reimbursement(s) prior to the release of funds, is provided to the employer on Thursday. Reimbursement checks and direct deposit transactions are processed from the client's account.

FSA and HRA participants with the debit card will also use this account for MBI debit transactions. The employer is automatically debited the entire dollar amount needed to fund the previous day's transactions. Email notification of the total dollar amount being drafted is provided to the employer each banking day for transactions that will be debited the next morning.

Option 3 - Remittance Advice Only:

FlexAmerica will print and mail remittance advice statements to participants for all claims processed and post the employee payable amount on our website. The employer will credit these amounts to

the employees via a reimbursement check or a credit to their next pay.

Section 6 –Banking – Fee Payments for FSA only

Fee payment can be from the same bank account as designated for claims processing, or an ACH can be set up from a different designated bank account.

Section 7 - FSA

26. Accounts Offered:

Select which types of reimbursement accounts.

HealthCare Spending Account – Full use HealthCare Spending Account.

Limited Purpose HealthCare Spending account – This account is used in conjunction with an HSA account to reimburse dental & vision expenses.

Premium Reimbursement Account –This account is used to reimburse Tricare, individual health insurance premiums not associated with a group policy.

27. Health Claim Processing

Health related claims can be paid from either the HRA or the HCA first. Paying from The HCA first will reduce your participants' forfeitures at the end of the year, and will increase plan satisfaction since these funds are subject to "use it or lose it."

33. Enrollment site for staff

FlexAmerica can provide a company specific open enrollment site. You can choose the site code and the dates the site is available for use.

34. Options for Continued Data Transmission

FlexAmerica will need to collect data for ongoing new enrollments, changes, and terminations through the plan year. You can enter this information on our web site or supply an import file each payroll week. FlexAmerica will also need to virtually track your payroll deductions either by an import file each payroll or by assumed accrual.

35. Select all payroll Schedules

Even if you don't have any participants currently on that payroll

schedule, please indicate what frequencies of schedules you use.

A calendar showing pay dates is required for each payroll schedule noted in #35. The pay dates indicated on the calendar should be just those that will have deductions for this plan year.

Questions 37, 38, 39, and 40 correspond to one singular plan. For a restatement plan, the answers can be found on a previous 5500 filing or an earlier plan document. Your answers will be in creation of your company's Cafeteria Plan Document and SPD.

37. Plan Name

Provide the name that we will use when we write your new plan document and prepare future 5500 filings. If this is a restatement, the plan name already in place should be used.

38. Original effective date

Provide the date the plan started going back to the very first pre-tax deduction (POP or FSA) for the plan that you indicated in #18.

39. Original (current) Plan #

Provide your 3-digit ERISA plan number for your Cafeteria Plan. If this is a new plan for your company, chose a number that starts with 5 and has not yet been assigned to another plan.

40. Is this a wrap document?

Wrap documents are used to communicate multiple benefit offerings "wrapped" into one succinct writing. Since FlexAmerica does not manage health insurance benefits, we will not be able to provide a wrap document. We can write the Cafeteria Plan portion to be coordinated with a wrap provided by another provider.

41. This Plan Year begins

Indicate the month, day, and year that your FSA benefits began this year even if that is before the date your account will start with FlexAmerica.

42. Regular Plan Year begins/ends

Indicate date your Plan will start each Plan Year and end.

Section 8 –Reimbursement Claim Processing

49. Claims responsibility

Indicate the earliest claims date that you wish FlexAmerica to honor claims. This date cannot be earlier than the date in #31, but it can be a later date.

50. Flex MasterCard offered

Specify whether or not FlexAmerica debit card will be offered for FSA reimbursement?

51. Non-discrimination Pre-Test

FlexAmerica will supply employers with an excel file format for testing. The test should be done at the start of each plan year and again before the 4th quarter of the plan year if there are concerns about passing.

Section 9 – Reporting Responsibilities

49. Will you need FlexAmerica to prepare a 5500?

5500 filings are only required for HRA plans with greater than 100 participants and FSA plans with greater than 100 HCA participants. For those plans, FlexAmerica can provide a signature ready form. Please indicate if we will be responsible for providing this service.

50. If yes, what is the first year

Provide the Plan Year end date (the last day of the Plan Year) for the first filing you need FlexAmerica to prepare for you.