Allied Flex

Introduction to Allied Flex

With the cost of healthcare on the rise, participating in a Flexible Spending Account is a great way to help save money. Your employer has teamed up with Allied to give you the opportunity to make a decision today that will save you and your family money. Please read the following information to see if this benefit is right for you.

What is Allied Flex?

Allied Flex allows for Medical and Dependent Care expenses to be deducted from an Employees paycheck on a pre-tax basis.

What are some of the advantages?

Flex Plans provide a number of advantages – fiscal and personal – to you as an employee.
Maybe the most desirable aspect of a Flex plan is the way it decreases your taxes. Implementing Flex reduces medical and dependent care elections from gross salaries prior to the calculation of federal income and social security taxes. Since taxable income is reduced by the amount contributed, you pay less in taxes and have more take-home pay.

Here's a look at the savings generated be a Flex Plan for a per-tax income of $30,000 and a federal income tax rate of 15%.

	With Flex	*Without Flex*
Annual Salary Before Taxes	**30,000**	**30,000**
FSA Contribution	**-1,500**	**0**
Taxable Income Less Taxes	**28,500**	**30,000**
Federal Income Tax (Estimated 15%) -FICA 7.65%	**-6,455**	**-6,795**
Less Healthcare Expenses	**0**	**-1,500**
Take-Home Pay	**22,045**	**21,705**
TAX SAVINGS	**340**	**0**

With a federal tax rate higher that 15% or with payments to state and local income taxes, as a participant your savings can be even greater.

What Can Flex Be Used For?

A Flex plan provides you with a stake in your own healthcare. In medical reimbursement plans, you decide how much of your salary you would like to set aside for un-reimbursed expenses such as:

Medical, Dental, and Vision Expenses:

Deductibles
Coinsurance
Office Visit Co-Payments
Prescriptions Drug Co-Payments
Physical Examinations
Chiropractic Care
Birth Control Pills
Routine Gynecological Exams
Dentures
Orthodontia
Fillings
Preventative Care such as Cleanings
Expenses that exceed a maximum benefit under an insurance health plan
Eye Examinations
Eyeglasses and Contact Lenses

Starting January 1, 2011, all OTC medicines and drugs must be accompanied by a prescription and a reimbursement request (claim form) to be reimbursed under your FSA, HSA, or HRA. These OTC medicines and drugs can no longer be purchased using the Allied Flex Debit Card. Below are some examples of these items:

OTC items that require a prescription:
The following items are examples and this is not a complete list and may be subject to change

-Acid Controllers
-Allergy & Sinus
-Antibiotic Products
-Anti-Diarrheals-Anti-Gas
-Stomach Remedies
-Sleep Aids & Sedatives
-Baby Rash Ointments/Creams
-Cold Sore Remedies
-Cough, Cold & Flu
-Digestive Aids
-Laxatives
-Motion Sickness
-Hemorrhoidal Treatments
-Pain Relief
-Respiratory Treatments
-Feminine Anti-Fungal/Anti-Itch
-Anti-Itch & Insect Bites ointment

Over-the Counter Drugs and Items that do NOT Require a Doctor's Prescription
The following examples, including insulin and diabetic supplies, can be paid for from your account without a prescription.

-Adhesive Bandages
-Braces & Supports
-Catheters
-Contact Lens Supplies & Solutions
-Contraceptives
-Denture Adhesives
-Diagnostic Tests & Monitors
-Elastic Bandages & Wraps
-First Aid Supplies
-Insulin & Diabetic Supplies
-Ostomy Products
-Reading Glasses
-Wheelchairs, Walkers, Canes

Participants can decide how much they need to manage their healthcare.

Dependent Care Flex
You also have the ability, through the dependent reimbursement plan, to deduct qualified dependent care expenses. You may submit a reimbursement claim for dependent care assistance expenses incurred inside or outside your home, which allow you to be gainfully employed. Expenses, which are incurred for services, provided outside your home (e.g., a day care center) qualify only if the center complies with all applicable state and local regulations. Expenses paid to your relative (except your spouse or other dependent) are generally reimbursable. You may submit claim for full Dependent Care pledge and be Auto-reimbursed each time you have another deduction posted. The following types of individuals are generally qualifying dependents:

- A dependent that is under age 13 and for whom the taxpayer is entitled to a dependent deduction.
- A dependent or spouse of taxpayer who is physically or mentally incapable of caring for themselves, regardless of age

For even more information about Allied Flex, visit www.alliedbenefit.com, and click on "Allied Flex."

The Allied Flex Debit Card

Allied administers Flex claims via the Allied Flex Card. With the Allied Flex card, you can use a single card to pay for all qualified expenses, wherever Debit MasterCard is accepted. A portion your pre-tax wages are deposited directly into their chosen benefit accounts. Whether you are visiting a doctor, stopping at the pharmacy, or visiting other eligible locations, you can simply swipe your Allied Flex card, and approved expenses are automatically deducted from your Flex accounts. The process is speedy and hassle-free. With an Allied Flex Card, it allows you as a participant to avoid paying cash for drug and physician co-pays, filling out cumbersome claim forms, and waiting for reimbursement. The Allied Flex Card makes the healthcare process simple. Here are some reminders on how to get the most value from your Flex Debit Card:

- The convenience of using this card is that you will not have to pay out of pocket for your qualified FSA expenses. You must still save receipts, as Allied may ask you for copies to verify that the expenses are eligible under the FSA.

- Most national retailers will electronically breakout expenses that are eligible for the Flex Debit Card (prescriptions, medical Devices, contact lens solution) from your non-FSA items.

- Even though it is called a debit card you swipe the card as Credit when using it. With that said there is NOT a 4 digit code.

- When your card is getting low on funds, you must swipe for exact amount left on card. If you try to swipe for more then the balance on the card it will deny your transaction.

- All Participants that are enrolled in the HealthCare FSA will receive a Flex Debit Card. The card is only good for Healthcare FSA expenses NOT Dependent Care Expenses.

- ***Please note***: You can still submit papers claims if you pay cash for items. You **do not** have to use the card for claims if you prefer to submit paper claims.

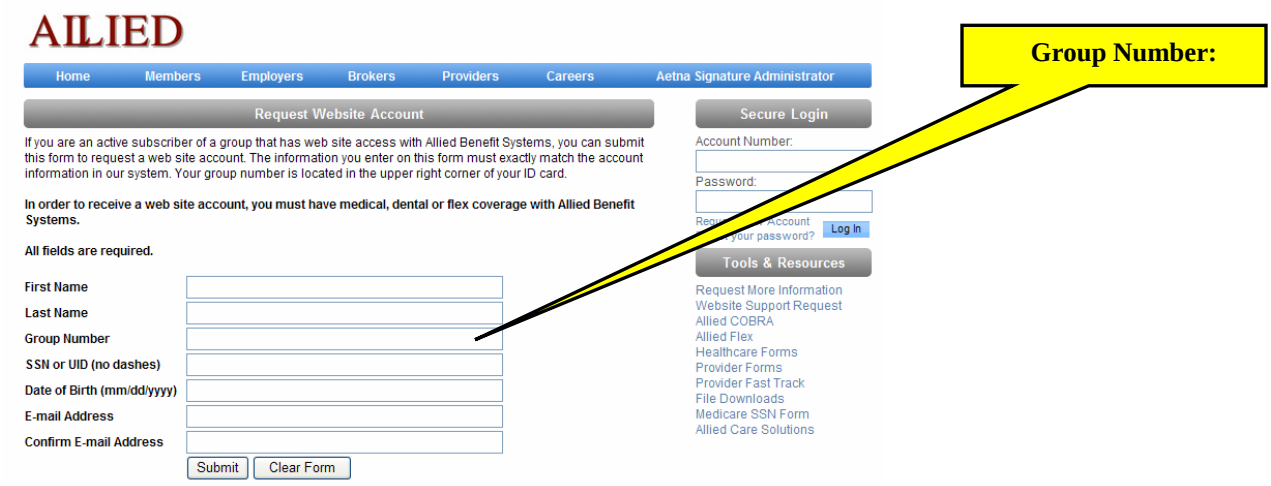
To all FSA Account Participants

You have 24 hour access to your FSA account information via Allied's secure website. You can track your balance, view your year to date contributions and view your reimbursement history.

Obtaining an account number is simple:

1) Go to www.alliedbenefit.com and click on the link "Request a Website Account Online on the far right side of the page

2) Enter all required information on Request Account Information page. Please ask HR for Group #



Key Points about Submitting Paper Claims

You have the option to submit claims in a number of different ways: through regular mail, fax, or via email.

Each claim must include a receipt showing the type and amount of the expense and the date the expense was incurred. An explanation of benefits from your group health plan will satisfy this requirement. Cancelled checks are not acceptable.

Medical and Dependent Care Reimbursement Claims

Both Dependent Care and Medical Care Reimbursement Claims may be submitted to Allied with the same, simple form, via mail, fax, or e-mail. With direct deposit, claims are quickly credited to your bank account. Claims may also be mailed if you prefer.

If a claim for payment of expenses under a Flex account is denied, Allied will provide written notice of the denial explaining the specific reasons for the denial, and a description of any additional material or information necessary. You may request a review of a denial in accordance with the procedures slated in the summary plan description.

How can I submit Paper claims to Allied?

Remember to submit receipts and itemized bills or EOBs with your claim forms, if you are submitting paper claims.

When submitting paper claims you can use the following methods:

Scan and Email claims to: Flexclaims@alliedbenefit.com
Fax claims to: 1(312)-416-2870
Mail Claims to: 200 W. Adams. Suite 500, Chicago IL 60606

If I have question on my FSA account who can I contact?

Flex Customer Service:

You may contact Allied Flex Customer service department with any questions or concerns at the following:

Flex Customer Service: 312-906-8080 Option 3
Hours: Monday-Thursday 7:30am-5:00pm
Friday 8:00am-5:00pm

Allied Benefit Systems, Inc.
200 W. Adams St. Suite 500
Chicago, IL 60606
P 312.906.8080
F 312.416.2870
flexclaims@alliedbenefit.com
alliedbenefit.com

Important Open Enrollment Notes for FSA Plan

Enrollment:

You may elect up to $5,000 per year in the Health FSA.
You may elect up to $5,000 per year in the Dependent Care FSA.

Claim Submission:

Claims can be submitted until March 31, 2013 for the 2012 plan year. This is an extension to your 2012 plan year that will allow you to submit expenses incurred prior to the end of your 2012 plan year.

"Use it or lose it":
IRS regulations require that any money left in the account at the end of the plan year will revert back to the plan.

Direct Deposit:

Members can easily establish direct deposit procedures for their Allied Flex accounts. This makes processing reimbursements easy and instantaneous, without the worry of waiting for reimbursement checks to arrive in the mail. You may elect to use either checking or savings account .

Allied Flex Debit Cards – *Health FSA claims only:*

The Allied Flex Debit Card makes using and managing a Flex Account quick and convenient. In addition acting as simple, one-swipe tool that does away with cash co-pays and claims submissions, The Flex Debit Card management page on Allied's Secure Website allows members to track their Flex account expenses, balances, and claims from anywhere, anytime.

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