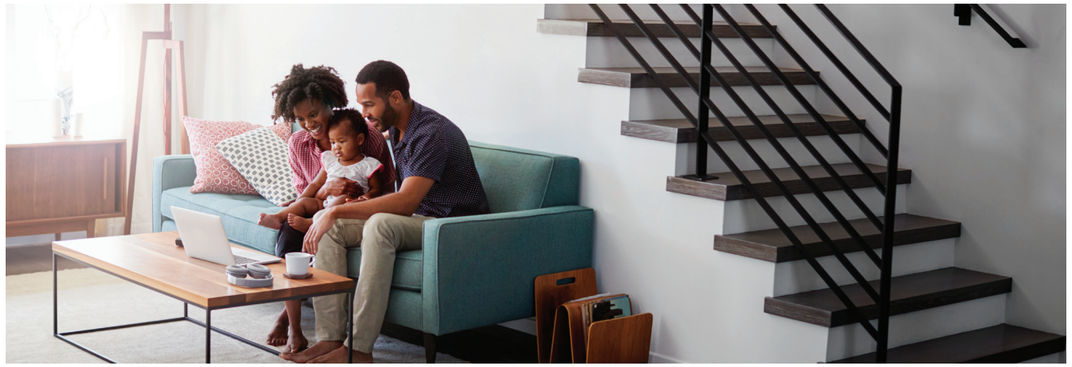
Associated Bank
Your money works here.

Associated Benefits Connection®

FSA PARTICIPANT GUIDE

Get the most out of your FSA benefit.



INTRODUCING YOUR FLEXIBLE SAVINGS ACCOUNT

Associated Bank is pleased to offer flexible spending accounts (FSA) that allow you to pay for qualified expenses such as healthcare and dependent care with pre-tax dollars. In this guide, you'll find everything you need to know about setting up and managing your account(s). You'll also learn how to maximize tax advantages.

Benefits of an FSA

An FSA is a great way to help save money on your out-of-pocket medical and dependent care expenses. Employees enrolled in this program will save on federal, state and FICA taxes. One of the best perks of a FSA is that your funds are available to use at the start of the plan year. This means that if you have a big medical expense at the start of your plan year, you can use your FSA funds immediately to help cover the cost.

FSAs offer many benefits:

- **Enjoy tax savings:** You can contribute to your FSA through pre-tax payroll deductions. There are hundreds of eligible expenses that you can use with your FSA funds, including prescriptions, copays, health insurance deductibles and coinsurance.
- **Funds available right away:** The amount that you elect is available at the start of each plan year which can be used to cover larger medical expenses. (This **does not** apply to Dependent Care FSAs.)
- **Options:** You can use your standard or limited health FSA to cover expenses for your spouse, dependents and adult children (through age 26).

How does an FSA work?

- ✓ Decide election and notify employer.
- ✓ Pay qualified expenses.
- ✓ Create claim for reimbursement.
- ✓ Use funds by end of plan year.

Keep reading to better understand how to use and maximize your FSA account, plus important rules and reminders.

Plan for what you can:

You can download an FSA planning worksheet from our participant portal.

Types of flexible spending accounts

Standard health FSA

Pair a traditional health plan with a standard health FSA, which covers eligible medical, dental and vision out-of-pocket expenses. Examples of eligible expenses include doctor visits, physical therapy, speech therapy, surgeries, over-the-counter medicines, acupuncture and all limited FSA-eligible expenses. For a list of eligible expenses, visit the Tools and Support section of the participant portal.

Note: If you're enrolled in a health savings account (HSA), you're not eligible for a standard health FSA.

Limited health FSA

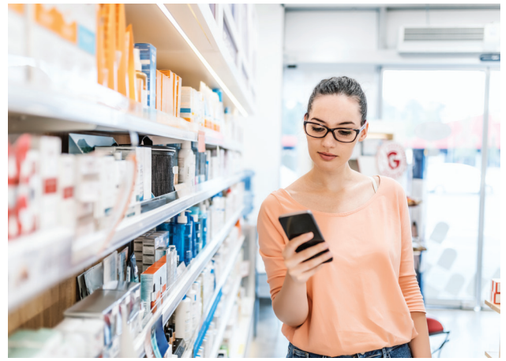
If you're participating in an HSA, you can enroll in a limited health FSA to maximize savings. These funds can be used for qualifying dental and vision expenses. Examples of eligible expenses include dental exams, vision exams, prescription glasses, laser-eye surgeries, contact lenses, orthodontics and dentures.

Note: The difference between a standard health FSA and a limited purpose FSA are the eligible expenses. A limited purpose FSA only allows for reimbursement of dental, vision and post-deductible expenses after your high-deductible health plan's (HDHP) deductible has been met.

Dependent care FSA

A dependent care FSA allows you to put money aside to pay for qualified dependent care for children up to age 13, a disabled dependent of any age or a disabled spouse. To be eligible for a dependent care FSA, you and your spouse (if applicable) must be gainfully employed, looking for work or be full-time students. For current annual FSA contribution limits, please visit **IRS.gov.**

Note: If you're enrolled in a health savings account (HSA), you can also be enrolled in a dependent care FSA.



Enrolled in an HSA?

You may remain eligible for an HSA with an FSA, but the FSA must typically be limited to reimbursing dental and/or vision care expenses and/or medical expenses that exceed your HDHP deductible. Check with your benefits administrator to determine how your FSA enrollment may impact your HSA eligibility.

How do health savings accounts pair with flexible spending accounts?

- ✓ Immediate purchasing power—spend now!
- ✓ Track expenses in one area.
- ✓ Save money for future expenses.
- ✓ Invest funds to maximize savings.
- ✓ Report expenses on taxes.

Keep reading to better understand how to use and maximize your HSA account, plus important rules and reminders.

FSAs: It starts with 3 simple steps

Elect. During your employer's open enrollment, select the option(s) that best meets your needs and determine the amount you would like to contribute through pre-tax payroll deductions.

Contribute. You will contribute throughout the year to your flexible spending account through payroll deductions.

Pay for qualified expenses.

What to consider when determining your FSA election

It's important to be conservative when making elections because any unused funds left in your FSA at the close of the Plan Year are not refundable to you. The exception to this rule is for the health FSA where funds may carry over to the next Plan Year health FSA as elected by your employer. Taking precautionary steps such as tracking account balances in the Participant Portal or mobile app can help you avoid having funds remaining in the account at year-end.

To plan ahead with your FSA, you'll first want to estimate how much you think you'll spend on qualified expenses throughout the year. Need help determining the amount that's right for you?

Big ticket expenses

Do you have any foreseeable surgeries in the upcoming plan year for you or other upcoming annual medical expenses for your children?

Regular expenses

Annual events such as dental exams or eye appointments are easy to anticipate. Make sure to factor these in when determining your election amount.

Changing your elections during the Plan Year

You may change your FSA elections during the Plan Year only if you experience a change of status such as:

- Marital status
- Number of tax dependents (i.e. birth, death, adoption)
- Employment (i.e. leave of absence or retirement)
- Dependent doesn't meet eligibility requirements due to change in age or student status

Need help planning?

Our FSA Planning and Strategy guide on our Associated Benefits Connection Participant Portal can help you with:

- Deciding on how much to elect.
- Planning your annual qualified expenses.
- Insight into qualified expenses.

Contribution limits

Contribution Limits are available on the Internal Revenue Service Publication 969 **(IRS.gov)** for the following products and services:

- Dependent care
- Flexible spending accounts (see your employer for this limit)
- Limited purpose flexible spending accounts (see your employer for this limit)
- Commuter
- Transit

Important Reminder

Remember to save all receipts. You'll need them for reimbursements and to validate your expenses with Associated Benefits Connection. Our convenient claim options includes fax, mobile, debit card or the online portal.

Using your FSA funds (reimbursements)

How do I use my FSA funds to pay for IRS-qualified expenses?

At the doctor's office

1. Present your insurance ID card and pay any required copays. Your Associated Benefits Connection® Debit Mastercard makes payment convenient.

   Your health plan has a network of providers that it recommends. However, you can use your FSA funds to pay any qualified medical expense even if it is not covered by your insurance. You'll get tax savings even on out-of-network services.

2. Your provider submits a claim to your health plan for services rendered.
3. Your health plan will send you an explanation of benefits (EOB) outlining the negotiated/allowed charges and summarizing your year-to-date deductible and coinsurance totals.
4. Your provider sends you an invoice or statement reflecting the allowed charges. Make sure the amount matches the EOB sent to you by your health plan. If not, contact your health plan.
5. You can pay the invoice from your FSA with your Associated Benefits Connection® Debit Mastercard, set up an online payment within the Participant Portal that is sent directly to the provider or as a reimbursement to you if you pay out-of-pocket, or file a paper claim and fax or mail to Participant Services. Reimbursement Request Forms can be found in the Participant Portal under Tools & Support.

At the Pharmacy

1. Get a legal prescription from your doctor for needed medication and submit it along with your insurance ID card to a pharmacy.
2. The pharmacy checks with your health plan to determine the amount you owe for the prescription.
3. The pharmacy fills your prescription, and you pay the determined amount owed. Your Associated Benefits Connection® Debit Mastercard is a convenient method of payment. You may be required to submit a receipt to verify the expense.



Dependent day care locations

1. Pay your provider with your preferred payment method and save your receipts or documentation. You can only be reimbursed for care that has already been received, so wait until the period of care you've paid for has passed.
2. Submit a claim for reimbursement, either online through the Participant Portal, the mobile app, or via fax/mail to Participant Services. You'll be reimbursed for care received as of that date documented on the receipts you submitted, up to the dollar amount you have available in your dependent care FSA. Make sure to sign up for direct deposit to get your funds quickly—they're electronically deposited in your savings or checking account. Reimbursement Request Forms can be found in the Participant Portal under **Tools & Support**.

Submitting and substantiating claims

With FSAs using pre-tax funds, the IRS requires substantiation that all FSA funds were used for qualified expenses and eligible purchases. Confirmation is provided via itemized receipts, invoices and explanation of benefits.

Documentation requirements for health FSA expenses

- ✓ Date(s) of service, or purchase
- ✓ Description of service or item purchased
- ✓ Amount of the expense incurred
- ✓ Name of service provider or store name

- Certain procedures and items need a Medical Necessity Form (found in the Participant Portal under **Tools & Support**) from a physician as part of your reimbursement documentation.
- Cosmetic procedures are not covered under the health FSA.
- Orthodontia contracts must contain the treatment start date, fee schedule and duration of payments.

Documentation requirements for dependent care FSA expenses

- ✓ Date(s) of service
- ✓ Dependent's name
- ✓ Description of Service(s)
- ✓ Amount of expense incurred
- ✓ Provider's name, address and Tax ID or SSN

- Services must be incurred BEFORE they can be reimbursed.
- Separate documentation, which shows the name of the provider, date of coverage, and amounts, is required.



Submitting and substantiating claims (cont.)

Ways to submit

Mobile app

Our Associated Benefits Connection® app is the quickest and easiest way to file claims and submit documentation for your FSA purchases. Using your phone's camera, you can take pictures of documentation and upload them on the spot.

Online through the Participant Portal

Log in to your Participant Portal at **Participantbenefits.AssociatedBank.com** to submit claims and documentation.

U.S. Mail

You may submit as many forms with documentation as you like, in one envelope. Be sure the documentation is stapled to the Claim Reimbursement Form to which it applies, or your claim may be excluded.

Fax

Submit only one form with documentation per fax transmission. Be sure the documentation is faxed with the Claim Reimbursement Form to which it applies, or your claim may be denied.

Year-end claims

You can incur expenses until the end of the current Plan Year. Your current Plan Year is defined by your employer. Claim Forms submitted after this date will be denied.

Also, in order to receive reimbursement, you must have enough available plan balance to cover your claim before you submit your Reimbursement Request Form.

If you are unsure whether the available plan balance remaining in your account will cover your claims, you can find your account balance in the Participant Portal. You can also call 800-270-7719, and our Participant Services team will look up your account balance and walk you through the claims submission process.

What to do when a claim is denied

If a claim is deemed denied, you will receive a Denial Letter identifying the expense and the reason it was denied. If you resubmit the claim, include the Denial Letter and any additional documentation or requested information within 180 days of receiving the Denial Letter. Additional information on resolving claims is available from your Participant Services Account Managers.

Read these tips BEFORE you file for reimbursement:

- We cannot reimburse your paper Reimbursement Request Form without your signature; you must completely fill out, sign and date your request.
- We cannot reimburse you until expenses are actually incurred. We cannot use estimates or prepayment billings.
- We cannot accept balance forward or previous balance statements.
- Double check your attached documentation and make sure the information, such as date(s) of services, type of expense, amount, etc., is provided.
- Cancelled checks or credit card statements are not valid documentation and we cannot accept them.
- When photocopying your documentation, make sure the copies are clear and complete.
- If you're unsure whether an expense is reimbursable, contact us before you incur the expense at 800-270-7719 or by email at ParticipantServices@AssociatedBank.com.

Plan rules are company-specific

While this booklet provides general information about a plan, a Summary Plan Description (SPD) containing further details is available. If you have specific questions, you should consult your employer or an accountant.

Refer to the SPD to find out how long you can submit remaining claims after your plan year or coverage has ended.

Pre-tax benefits

- ✓ Funds are taken out of your paycheck before taxes.
- ✓ You pay less in payroll taxes.
- ✓ An individual in the 30% tax bracket can potentially save $30 for every $100 spent on eligible expenses.



Contact Us

Call our Participant Services team at 800-270-7719
Monday through Friday 7 a.m. to 7 p.m. CT
or email us at ParticipantServices@AssociatedBank.com.

AssociatedBank

Deposit products are offered by Associated Bank, N.A. Member FDIC.

Associated Benefits Connection is a marketing name used by Associated Bank, N.A. (ABNA). ABNA administers benefit programs sponsored by employers, which include flexible spending accounts (FSAs), health reimbursement accounts (HRAs) and commuter benefits and is subject to pending state licensure and regulatory approval.

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(9/21) P04130 MKTRB1293