

Fall 2011 Open Enrollment

Dear CSU Employee:

The CSU is pleased to announce the implementation of a Flexible Spending Account (FSA) Plan Debit Master® Card for Health Care Reimbursement Account (HCRA) Plan participants, beginning in the 2012 plan year. The optional "FSA Benny® Card" issued by ASIFlex, allows HCRA participants* to pay for out-of-pocket medical expenses (i.e., health, dental, vision, etc.) when issued as payment at Health Care Providers and at certain retail locations that have implemented an Inventory Control System, per Internal Revenue Service (IRS) regulations.

If you choose to enroll in HCRA and request the FSA Benny Card, you:

1. *Have electronic access to your annual HCRA election amount on the FSA Benny Card;*
2. *Avoid paying out-of-pocket for eligible health, dental and vision related expenses;*
3. *Eliminate the waiting period for your HCRA claims to be processed and reimbursed by ASIFlex; and*
4. *Are not required to submit paper claims or documentation for most FSA Benny Card transactions. If follow-up documentation is required for an expense, ASIFlex will notify you for additional information.*

The administrative fee for the FSA Benny Card is \$1.00 per month and is deducted directly from your HCRA account balance as a non-refundable, one-time lump sum amount (i.e., \$12.00 if your enrollment begins in January, and the amount is prorated if your enrollment begins after January). Therefore, you want to carefully determine your monthly HCRA election amount to ensure that you will have full access to the annual election amount chosen. For example if you decide to contribute \$5,000.00 (\$416.66 per month) to the HCRA Plan for 2012 and also request the FSA Benny Card, you may want to consider increasing your monthly HCRA election amount by \$1.00 to \$417.66. Otherwise, you would have access to \$4,988.00 of HCRA funds for 2012 as shown below:

Annual election amount =	\$5,000.00	
	-12.00	minus debit card annual administrative fee (enrolled as of January 2012)
	<hr/>	
	\$4,988.00	Remaining HCRA funds available to you

You can obtain the FSA Benny Card by submitting a completed "FSA Debit Card Request" form (attached) to ASIFlex during this year's open enrollment period, or during the 2012 Plan Year, or any plan year thereafter. FSA Benny Card request forms received during open enrollment or in December 2011 will be issued in mid-January. Cards requested after this timeframe, or during mid-year, will typically be issued within 10-15 days of the receipt of the form.

Two (2) FSA Benny Cards will be mailed to you. If the card is lost or stolen, ASIFlex charges a \$5.00 fee to re-issue the card. You can continue to use the FSA Benny Card from plan year to plan year, as long as you remember to re-enroll in the HCRA plan each year. You can cancel your FSA Benny Card participation by sending a written request to ASIFlex.

Special Information Regarding Grace Period Claims and the FSA Benny Card

The FSA Benny Card is funded only with the current plan year's election amount. If funds remain in the account that can be used during the 2 ½ month grace period claims extension (January 1 through March 15) during the following plan year, then you must submit paper claims by mail, or facsimile, or via electronic upload to ASIFlex in order to be reimbursed for the remaining account balance. **Do not use the FSA Benny Card for grace period claims. If the FSA Benny Card is used for grace period claims, the amount(s) will be deducted from your current plan year's election and will not be applied to the previous year's remaining balance.**

It is anticipated that use of the FSA debit card will greatly reduce the incidents of remaining account balances at the end of the plan year, since you will have full access to your annual election amount and will not have to pay out of pocket in order for claims to be reimbursed.

For more information about the FSA Benny Card, including FAQs, and how to enroll, please visit the CSU Systemwide Benefits Portal at: www.calstate.edu/hr/benefitsportal/ or contact ASIFlex at (800) 659-3035.

*The FSA Benny Card is not applicable to Dependent Care Reimbursement Account (DCRA) Plan participants.

Benny

Your card for Better Benefits!



The FSA Benny Card provides a convenient method to pay for out-of-pocket medical expenses for you, your spouse or domestic partner¹ and/or any tax dependents. The IRS has stringent regulations regarding appropriate use of the Benny Card, as far as **where the card can be used**, and **when follow-up documentation is required (use of the card DOES NOT eliminate all of the paperwork)**. The card is a great benefit, but it is important that you take a moment and understand how it works.

Where can the cards be used?

Per IRS regulations, the FSA Debit Card can only be used at Health Care Providers (based upon the Merchant Category Code) and at stores that have implemented an Inventory Control System.

- 1) Health Care Merchant Category Codes (MCC):** Every merchant that accepts credit cards has an MCC, which is a general category that is assigned when the merchant applies for the right to accept credit cards. The FSA debit card will work to pay providers that have an MCC that indicates the merchant is a health care provider (hospital, doctor, dentist, optometrist, chiropractor, etc.).
- 2) Inventory Control System Restriction:** The IRS also allows a card to be used at retail stores that have an FSA Inventory Control System in place that only allows FSA-eligible items to be paid for with your FSA debit card. Please note that if you have a medical condition that allows you to claim expenses that are not normally eligible, the card will not be able to pay for these expenses at these stores. You will have to pay with a separate form of payment and submit a claim. The card will work at these stores, even if the MCC does not indicate it is a health care provider. A list of stores with this system in place now (and some expected in the future) is available online, at www.asiflex.com/debitcards. **Purchases at these stores should never require follow-up documentation!!** Please note that as of 7/1/2009, IRS regulations require all pharmacies to have the Inventory Control System in place, or your card will be declined.

Documentation IS NOT REQUIRED when the transaction:

- Matches a co-pay or up to five times the highest for the health plan you have elected through your employer;
- Occurs at a retail outlet that has implemented the Inventory Control System; or
- Is for a recurring expenses for the exact same amount at the same provider and have been substantiated once via a paper claim.



Documentation IS REQUIRED when the debit card:*

- Is used to pay for your spouse's or domestic partner's¹ co-payments on a non-CSU plan;
- Is used to pay for your deductible or co-insurance expense, even if these expenses are through your employer's plan; and
- Does not meet any of the three allowed auto-substantiation methods listed above

* IRS regulations require that you provide documentation when requested to confirm that what you are paying for is an eligible expense.



Contact ASIFlex with Questions:

Phone: (800) 659-3035

Email: asi@asiflex.com

Web: www.asiflex.com

¹ You may claim reimbursement for expenses paid for your domestic partner if your domestic partner is a dependent.

FLEXIBLE SPENDING PLAN (FSA) DEBIT CARD REQUEST FORM

Please type or print clearly with ballpoint pen.

The fields in the shaded areas below are required. If any shaded field is left blank, the FSA Debit Card will not be issued.

CAMPUS:		SOCIAL SECURITY NUMBER:	FULL NAME (LAST, FIRST, MIDDLE)		
STREET ADDRESS:			CITY:	STATE:	ZIP CODE:
DAYTIME PHONE:	HOME PHONE:	E-MAIL ADDRESS:			DATE OF BIRTH:
CSU HEALTH PLAN ENROLLMENT: I AM ENROLLED IN THE FOLLOWING CALPERS HEALTH PLAN: <input type="checkbox"/> BLUE SHIELD HMO (ACCESS, NETVALUE) <input type="checkbox"/> KAISER PERMANENTE <input type="checkbox"/> PERS CHOICE OR PERS SELECT PPO <input type="checkbox"/> PERSCARE <input type="checkbox"/> PORAC		CSU DENTAL PLAN ENROLLMENT: I AM ENROLLED IN THE FOLLOWING CSU DENTAL PLAN: <input type="checkbox"/> DELTACARE USA – BASIC <input type="checkbox"/> DELTACARE USA – ENHANCED <input type="checkbox"/> DELTA DENTAL PPO – BASIC <input type="checkbox"/> DELTA DENTAL PPO – ENHANCED LEVEL I <input type="checkbox"/> DELTA DENTAL PPO – ENHANCED LEVEL II		CSU VISION PLAN ENROLLMENT: <input type="checkbox"/> I AM ENROLLED IN THE CSU VISION PLAN (VSP)	

- ✓ The FSA Debit Card is optional to you, and is only for Health Care Reimbursement Account (HCRA) Plan participants. If you want to receive an FSA Debit Card (aka “FSA Benny Master® Card”), you have to complete this application. If you do not wish to request the FSA Debit Card, you will access your HCRA funds by filing claims and ASIFlex will reimburse you by direct deposit or check.
- ✓ If you request the FSA Debit Card, a separate, \$1.00 per month administrative fee will be deducted directly from your HCRA account by ASIFlex as a one-time, lump sum amount (i.e., \$12.00 if your enrollment begins in January, and the amount is prorated if enrollment begins after January). Therefore, your annual HCRA election amount will be reduced by an amount equal to or less than \$12.00.
- ✓ Upon receipt of this completed form, two (2) debit cards, both in your name, will be issued on your behalf. The cards will be mailed to your home address approximately two weeks from ASIFlex’s processing of this form. There is a \$5.00 charge for additional or replacement cards.
- ✓ **When using the FSA Debit Card, ALWAYS select the “credit” option when you present the card** at a merchant or a provider, even though the card is referred to as a “debit card.” There is no PIN number associated with this FSA debit card.
- ✓ It is important to note that there will be times when you will be required to **submit substantiating documentation for some debit card transactions.** ASIFlex will notify you when follow-up documentation (i.e., detailed statement of services, etc.) is required. **If you do not provide the requested documentation in the timeframe stated in your notification, your card will be deactivated.**

I hereby state that the above information is accurate, to the best of my knowledge. Additionally, I certify that the FSA debit card will only be used to purchase eligible medical care-related (i.e., health, dental, vision, etc.) expenses, as defined in Code §213(d) of the Internal Revenue Code and that I will not seek reimbursement from any other source for the expenses paid for with the FSA debit card. I also acknowledge that if I do not provide requested documentation in a timely fashion, my card will be deactivated, in accordance with Federal regulations.

Visit the CSU Systemwide Benefits Portal at: www.calstate.edu/hr/benefitsportal for additional information.

Employee’s Signature: ▶	Date Signed: ▶
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The application must be sent directly to ASIFlex. Please fax application to: 1-877-879-9038 or Mail to: ASIFlex, P O Box 6044, Columbia, MO 65205-6044