



Flexible Spending Account Enrollment Form

Client TASC Id:

4601-9238-8974

Plan Name:

Town of Easton - Town Employees

TERESA DESILVA
TOWN OF EASTON
136 ELM ST
N EASTON MA 02356

Every line must be completed. Please enter zero (0) on the lines where no amount is being deducted. Make sure to sign and date the enrollment form. Return the completed and signed form to your employer.

Participant Information: Full Name _____

Address _____

City _____ State _____ Zip _____

Email _____

Home Phone Number _____

Mobile Phone Number _____

Participant's Plan Effective Date _____

Date of First Payroll _____

Prior to completing your election amounts, refer to the instructions and frequently asked questions on page 2.

Benefit	Maximum Employee Salary Reduction	Annual Salary Reduction Election
Medical (Out-of-Pocket) Expenses (For plan start dates in 2013, employee annual salary reductions may not exceed \$2,500.)	\$ 2,500.00	\$ _____
Dependent Care Expenses	\$ 5,000.00	\$ _____

Additional TASC Card for Spouse or Dependent

Each participant may receive one additional card for their spouse or dependent free of charge. To request an additional TASC Card for your spouse or dependent, print their name below. Cards are mailed to your home address 7 – 10 days after your enrollment has been updated in FlexSystem.

Spouse or Dependent Name (Last, First, MI): _____

AUTHORIZATION: I certify the above information to be true to the best of my knowledge and that the children for whom I will be claiming dependent or child care expenses either reside with me in a parent-child relationship or are legally dependent on me for their support. I agree to have my compensation reduced by the deduction amount(s) stated above. I understand amounts remaining in my flexible spending account(s) not used for qualified expenses incurred during the plan year will be forfeited in accordance with current plan provisions and tax laws. I further understand the Flexible Spending Amount will be in effect for the entire plan year and cannot be changed or revoked except as permitted by federal law. I understand my share of eligible group premium(s) will be automatically deducted before taxes. I also understand, that if I do not wish to have my eligible insurance contributions deducted pre-tax and prefer to be taxed on these dollars, I will contact my payroll department. I understand additional TASC Cards issued to my spouse or dependent will provide the named individual with access to my flexible spending account(s) and MyCash account. I accept all responsibility for card transactions incurred by the named individual and will submit supporting documentation, as requested, for those transactions. I agree that upon inappropriate or fraudulent use of the TASC Card or termination of employment, I will immediately return all TASC Cards to my Employer.

Authorize Signature _____

Date: _____

Enrollment Form Instructions

Medical (Out-of-Pocket) Expenses: This amount is usually paid toward deductible and co-insurance portions of health insurance, dental expenses, orthodontic expenses, eyecare and other miscellaneous health care expenses per year. After determining the per payroll amount, multiply that number by the number of payrolls to determine your annual election.

Dependent Care Expenses: Amount paid for day care expenses per year. The maximum allowable amount under IRS regulations is \$5,000 per calendar year per family; \$2,500 per calendar year for married individuals filing single.

Pre-Tax Example		
	Without FlexSystem	With FlexSystem
Gross Pay	\$3,500/mo	\$3,500/mo
Pre-Tax Benefits		
-Medical/Dental Premiums	0	300
-Medical Expenses	0	100
-Dependent Care Expenses	0	400
TOTAL	0	800
Wages subject to tax	3,500	2,700
Federal Tax	525	405
FICA Tax (Social Security)	268	207
State Tax	175	135
Out-of-Pocket expenses	800	0
Spendable Income	1,732	1,953
Net Increase in Take-Home Pay = \$221/mo		
This is an illustration only and actual numbers may vary. Paying certain qualified expenses before tax increases your take-home pay.		

Questions Frequently Asked by Employees

1. What does FlexSystem offer?

FlexSystem offers you a choice to pay for certain qualified benefits on a pre-tax basis. Paying for certain benefits with pre-tax dollars reduces the amount you pay in taxes and increases your take-home pay. Every dollar paid on a pre-tax basis results in a savings to you. (See example in box.)

2. Any cost or fee to me?

No.

3. Must I participate in my employer's health insurance?

FlexSystem is not tied to any insurance plan or company. You may participate in FlexSystem regardless of your particular insurance provider.

4. What are qualified medical expenses?

These expenses include dental care, prescriptions, eyeglasses, and out-of-pocket medical expenses not covered by insurance. However, vitamins and other dietary supplements taken for general health purposes are not eligible. Purchases of over-the-counter (OTC) medicines and drugs (with the exception of insulin) are only reimbursable if accompanied by a prescription or Prescription Order Form from your medical practitioner. Below are some

examples of health related expenses:

OTC items that require a prescription or Prescription Order Form include the following:

Acid Controllers	Anti-Itch and Insect Bite	Digestive Aids	Pain Relief
Allergy and Sinus	Antiparasitic Treatments	Feminine Anti-Fungal/Anti-Itch	Respiratory Treatments
Antibiotic Products	Baby Rash Ointments and Creams	Hemorrhoidal Medications	Sleep Aids and Sedatives
Anti-Gas and Diarrhoea	Cough, Cold and Flu	Laxatives	Stomach Remedies

OTC items that are eligible and need no physician authorization include the following:

Bandages & First Aid Dressings	Contact Lens Solution	Heating Pads	Orthopedic Aids
Birth Control Products	Denture Products	Hot, Cold & Steam Packs	Pregnancy & Fertility Kits
Blood Pressure Kits	Diabetes Testing Supplies	Incontinence Products	Splints, Supports & Braces
Canes and Walkers	Durable Medical Equipment	Insulin	Thermometers
Contact Lenses	Hearing Aid Batteries	Nebulizers	Wheel & Accessories

5. How does the Dependent Care Account compare with the tax credit available on the individual Form 1040?

The circumstances that determine which option offers greater savings vary from family to family; as such, the decision to choose the tax credit or the dependent care deduction may be made on a case by case basis only. Participation in FlexSystem results in an immediate savings on Federal, State and Social Security tax, whereas the Federal credit will affect Federal Income Tax only and will be taken at year-end.

6. How does a Cafeteria Plan affect Social Security benefits?

Reduction of your Social Security benefits will be minimal and is offset by the tax savings and lower health care costs available under FlexSystem. To compensate for this minimal reduction you may consider increasing your retirement plan funding.

7. Under what circumstances can the annual election be changed?

The elections can be changed only if there is a change in family or employment status. See the "Change of Elections Form" for more details.

8. What is the "Use-It-or-Lose-It" rule?

Any funds left unused at the end of the Plan Year are forfeited. Take precautionary steps to avoid having balances in the Flexible Spending Accounts at year-end. The key is to be conservative when making elections.

9. Who determines the rules and regulations of FlexSystem?

Flexible Spending Accounts are regulated by the IRS. Our documentation guidelines are intended as a means to ensure eligibility of your Requests for Reimbursement. It is the participant's responsibility to comply with these guidelines and to avoid duplication of requests or submission of ineligible charges. Failure to adhere to the above requirement could lead to payment delays or denial of expenses.

In the event of an error or omission in the course of administering the Plan on behalf of the employer and participating employees, TASC will notify and remedy the error or omission within a reasonable period of time following the error or omission. The employer and employees agree to TASC's procedures for making any corrections, including but not limited to payroll reduction. An error by the employer or TASC does not constitute an assumption of liability for the amount of the error.

FSA Eligible Expenses

Healthcare expenses eligible for reimbursement.

Over-the-counter (OTC) medicines and drugs, except for insulin, require a prescription from your physician to be reimbursed from your Healthcare FSA. The prescription will need to be included with each OTC medicine or drug claim request submitted. Health-related supplies purchased over-the-counter continue to be eligible without additional documentation. Below is a sample list of permissible expenses reimbursable through a Full Scope Healthcare Flexible Spending Account (FSA) that are incurred by you, your spouse, or qualified dependents. Please note a Limited Purpose Healthcare FSA only allows dental and vision expenses.

FlexSystem FSA Healthcare

Medical Expenses

- Acupuncture
- Artificial limbs
- Bandages
- Birth control, contraceptive devices
- Birthing classes/Lamaze – only the mother's portion (not the coach/spouse) and the class must be only for birthing instruction, not child rearing
- Blood pressure monitor
- Blood sugar test kits/test strips
- Chiropractic therapy/exams/adjustments
- Contact lens and contact lens solutions
- Co-payments
- Crutches (purchased or rented)
- Deductible and co-insurance
- Diabetic supplies
- Eye exams
- Eyeglasses, contacts, or safety glasses, prescription only (warranties are not reimbursable)
- Flu shots
- Hearing aids and hearing aid batteries (warranties are not reimbursable)
- Heating pad
- Incontinence supplies
- Infertility treatments
- Insulin
- Lactation expenses (breast pumps, etc.)
- Laser eye surgery; LASIK
- Legal sterilization
- Medical supplies to treat an injury or illness
- Mileage to and from doctor appointments
- Nasal strips
- Optometrist's or ophthalmologist's fees
- Orthopedic inserts
- Physicals

- Physical therapy (as medical treatment)
- Physician's fee and hospital services
- Pregnancy test
- Prescription drugs and medications
- Psychotherapy, psychiatric and psychological service
- Reading glasses
- Sales tax on eligible expenses
- Services connected with donating an organ
- Sleep apnea services/products (as prescribed)
- Smoking cessation programs
- Treatment for alcoholism or drug dependency
- Vaccinations
- Wrist supports, elastic wraps
- X-ray fees

OTC Medicines and Drugs

Purchases require a prescription or an OTC Prescription Order Form for reimbursement:

- Bengay, Flexall, pain relieving creams or gels
- Calamine lotion
- Canker/cold sore relievers
- Cold medicines
- Corn removal
- Diaper rash ointment
- GasX, baby gas drops
- Hemorrhoid creams and treatments
- Hydrogen Peroxide or rubbing alcohol
- Indigestion or anti-acid relievers
- Laxatives
- Nicotine patch
- Pain relievers (Tylenol, Advil, Aspirin, etc)
- Sinus medicines
- Suppositories
- Teething gel
- Wart removal medication

Healthcare expenses NOT eligible for reimbursement.

FlexSystem FSA Healthcare

Ineligible Expenses for FSA Healthcare

- Athletic mouth guards
- Auto insurance providing medical coverage
- Chapstick/lip balm
- Contributions to state disability funds
- Cosmetic surgery, cosmetic dentistry or other cosmetic procedures
- Cosmetic supplies (make up, facial soaps/creams and moisturizers, etc)
- Deodorant
- Dental floss
- Diaper service
- Diet: special diets and/or cost of special foods taken as substitute for regular diet
- Dietary and fiber supplements
- Divorce: expenses of divorce when doctor or psychiatrist recommends divorce
- Distilled water purchased to avoid drinking fluoridated city water or for use in medical equipment
- Domestic help: payments to domestic help, companion, babysitter, chauffeur, etc. who primarily render services of a non-medical nature
- Electrolysis/hair removal
- Exercise equipment and fees
- Eye drops for general comfort
- Eyeglass cases
- Hand sanitizer
- Health club or athletic club membership fees
- Herbal supplements
- Illegal treatment or medication
- Insurance premiums, all types
- Lanyards
- Lotions or skin moisturizers
- Marriage counseling
- Maternity clothes
- Mattress
- Medicare premiums
- Medicated shampoos, conditioners, and soaps
- Mobile telephone used for personal calls as well as calls to physician
- Nursemaids or practical nurses who render general care for healthy infants
- OTC drugs/medications without a prescription (effective January 1, 2011)
- Pajamas/slippers purchased to wear in hospital
- Personal use items (toothbrush, vacuum, pillow, shampoo, mattress, etc)
- Physical treatment unrelated to specific health problems (massage for general well-being, stress, depression, or chiropractic wellness program)
- Premiums for coverage through other medical plans (i.e., spouse's employer-sponsored plan or individual plan)
- Private hospital rooms
- Safety glasses (non-prescription)
- Special foods purchased to replace nutrition or for general health needs, such as diet foods.
- Sun Glasses (non prescription) and Sun Clips
- Teeth whitening
- Toiletries
- Toothbrush (includes prescribed electric ones)
- Toothpaste
- Vacuum cleaner purchased by an individual with dust allergy
- Vitamins and/or supplements
- Warranties
- Weight loss drugs/programs for general well being

Additional healthcare expenses eligible for reimbursement.

Dental Expenses

- Braces and orthodontic services
- Cleanings
- Crowns
- Deductibles, co-insurance
- Dental implants
- Dentures, adhesives
- Fillings

FlexSystem FSA Healthcare



For the Disabled

- Automobile equipment and installation costs for a disabled person in excess of the cost of an ordinary automobile; device for lifting a mobility impaired person into an automobile
- Braille books and magazines in excess of cost of regular editions
- Note-taker, cost of, for a hearing impaired child in school
- Seeing eye dog (buying, training and maintaining)
- Special devices, such as a tape recorder or typewriter for a visually impaired person
- Visual alert system in the home or other items such as a special phone required for a hearing impaired person
- Wheelchair or autoette (cost of operating/maintaining)

Healthcare Expenses *Requiring Additional Documentation*

Following are some expenses eligible only when incurred to treat a diagnosed medical condition. This type of expense requires a Letter of Medical Necessity from your physician to be submitted along with your request for reimbursement that contains the medical necessity of the expense, the diagnosed condition, the onset of the condition and the physician's signature.

- Ear plugs
- Massage treatments
- Nursing services for care of a special medical ailment
- Orthopedic shoes (excess cost of ordinary shoes)
- Oxygen equipment and oxygen
- Support hose
- Varicose vein treatment
- Veneers
- Wigs (for mental health condition of individual who loses hair because of a disease)

Dependent Care expenses eligible for reimbursement.

The following dependent care expenses are permissible for reimbursement through a Section 125 Flexible Spending Account. Please refer to your FlexSystem FSA Summary Plan Description (SPD).

FlexSystem FSA Dependent Care

Eligible Expenses for FSA Dependent Care

Eligible dependent care expenses must be employment related.

- Day Camp -- primary purpose must be custodial care and not educational in nature
- Dependent care expenses that are necessary for you (and your spouse) to work, actively look for work, or attend school full-time.
- Dependent care for a child under age 13
- FICA/FUTA taxes of day care provider
- Late pick up fees
- Nanny expenses attributed to dependent care
- Nursery school (Pre-School)
- Registration fees -- when allocated to dependent care services that have been provided

