

Procedure for Obtaining Reimbursement

From Flexible Spending Accounts

Weekly Processing – Wednesday Cutoff

GENERAL INFORMATION

Each pay period employers will deduct the PRE-TAX amount participants have elected, and report these Flexible Spending Account (FSA) contributions to Crosby Benefit Systems (Crosby).

To initiate the reimbursement process, participants need to complete a ***Medical*** or ***Dependent Care Reimbursement Request Form*** and attach the necessary supporting documentation. Reimbursement forms are available at the Human Resources office or by calling Crosby Benefit Systems at 617-928-0700 or 800-462-2235. You may photocopy the forms if you require additional copies.

Submission of requests: Participants should submit the reimbursement form with supporting documentation directly to: Crosby Benefit Systems, P.O. Box 929125, Needham, MA 02492-9125.

Cutoff Dates: Once each week Crosby will process Medical and Dependent Care Reimbursement requests received by Wednesday. Requests received after that day will be processed the following week.

Reimbursement Parameters: If a reimbursement request is less than the balance of contributions paid, an account will have an available balance. *Dependent Care* expenses in excess of the contribution balance will remain in the account until a contribution is posted. *Medical* expenses in excess of contributions will be reimbursed in full up to the annual maximum elected even if contributions are not yet posted to the account.

Disallowed Requests: If a request does not meet the necessary requirements for reimbursement, participants will be notified with a written explanation.

Changing the Account: After enrollment, changes to an FSA can occur only when there has been a **change in status**. Please refer to your Human Resources/ Benefits Department for further information.

Questions? Please feel free to call Crosby at 617-928-0700 or 800-462-2235 for questions regarding your Flexible Spending Account.

IMPORTANT INFORMATION REGARDING REIMBURSEMENTS

Medical Care Eligible Expenses: In most cases, a participant may be reimbursed for a medical care expense which is defined as a deductible expense for federal income tax purposes, but which has not been or will not be reimbursed by any other source, and which will not be deducted on the employee's income tax return. Some examples of eligible expenses include co-payments and deductible payments required by health insurance; also vision, hearing, dental, and most prescription drug expenses not covered by health insurance. Vitamins and over-the-counter medication are not allowable. Participants who leave the plan during the plan year will be reimbursed for expenses incurred while they were participating in the plan. **Expenses incurred before participation began or after participation has terminated cannot be reimbursed.**

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Dependent Care Eligible Expenses: Participants are eligible to contribute up to a maximum of \$5,000 for any one tax year. The contributions, however, cannot exceed the earned income of the lower-paid spouse. Also, participants may need to choose between a dependent care reimbursement account or the dependent care tax credit because the tax credit maximum is reduced dollar for dollar for each dollar placed into a reimbursement account. Be aware that the plan year may not coincide with the tax year.

Expenses must be employment-related expenses incurred for the care of a dependent of the employee who is under age 13 and for whom the taxpayer is entitled to a dependent deduction under Internal Revenue Code Section 151(e), or for a dependent of the employee who is physically or mentally incapable of caring for himself or herself. **Expenses must be incurred on or after the participant's effective date and before the end of the plan year.**

- Payments cannot be made to a person who is claimed as a dependent by the employee.
- If services are provided by a dependent care center, which provides care for more than six individuals (other than a resident of the facility), the center must comply with all state and local laws.

SUPPORTING DOCUMENTATION

- Supporting documentation must be attached to the Reimbursement Request Form.
- For medical and dental expenses covered by medical care insurance, but not paid by them:

Submit these expenses to the health care plan first. If the health care plan does not pay for all or part of these expenses, they will provide an "explanation of benefits" statement with the reason. Attach this statement to the reimbursement request form.

- For all other medical expenses and for dependent care expenses:

Attach original RECEIPTS or STATEMENTS that clearly show:

- Name of person receiving the service
- Nature of service or supplies
- Name and address of care provider
- Amount charged
- Date the service was provided

Please note: Canceled checks are not an acceptable form of documentation.

Remember: For dependent care expenses, the IRS requires that participants provide the tax identification number (social security number) of the day care provider(s). In addition, this information must also be provided on the Child Care Expenses Tax Schedule.