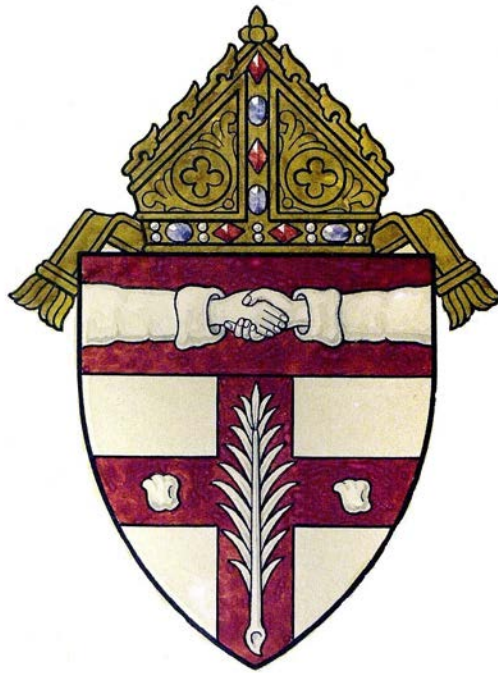


Diocese of Owensboro

FSA Open Enrollment Packet



Effective 01/01/2021 thru 12/31/2021

Open Enrollment Period 11/16/2020 – 11/30/2020



Open Enrollment for Flexible Spending Accounts **November 16 – November 30, 2020**

It's ***“Open Enrollment time for Flexible Spending Accounts (FSA).”*** Open enrollment begins November 16th thru November 30th. The Diocese is offering full-time employees working 20 hours or more per week the choice to enroll in a FSA plan. Coverage begins January 1, 2021 and ends December 31, 2021. **Employees don't have to be enrolled in the Anthem health plan to participate with the FSA.**

All eligible employees must complete the Diocese of Owensboro's Flexible Spending Account Enrollment Form to participate. All forms must be given to the person at your location who handles benefits by Monday November 30, 2020.

The maximum annual amount you may contribute to the Diocese's FSA plan is \$2,000 from 01/01/2021 – 12/31/2021. Please read carefully the attached “Anthem's Health Flexible Spending Account Frequently Asked Questions Document and the FSA Facts for the Diocese of Owensboro's FSA Plan below.”

Diocese of Owensboro - FSA Facts:

Eligibility	All Full-Time employees working at least 20 hours or more per week are eligible to participant in the FSA. Contributions can begin the 1 st day of the month following the date of hire. Members contributing to the FSA do NOT need to be enrolled in the Diocesan medical plan.
Election Changes	Federal regulations state that once you have made an election for a designated contribution amount you cannot make changes during a plan year except for specific changes in status. The Diocesan Human Resource can provide a list if these changes.
Contribution Maximum	Employee's maximum contribution limit is \$2,000. This is all that can be contributed. Members can contribute to their own FSA even if their spouse has one.
Carryover Rules	Members are allowed to carryover over a maximum of \$500 to the next plan year (January – December) but this plan has a “use it or lose it function.” Any money remaining in excess of \$500 would be forfeited at December 31 st .
Termination	For members who end their employment, paper claims must be submitted to Anthem within 90 days of employment ending to receive reimbursement.

Should you have any questions please contact the Diocese's Human Resource Department at 270-683-1545.



Diocese of Owensboro Flexible Spending Account Enrollment Form

Plan Year - January 1, 2021 to December 31, 2021

Number of Pay Periods per Year: ____

Please Print

Employee Name – Last, First, Middle Initial		Location Name/Number	
Home Address			
City/State/Zip Code		Social Security Number	

FSA Health Care Contributions

I elect to participate in the Flexible Spending Account plan for the upcoming plan period. I understand that I can contribute to my Health Care FSA Account each plan year. I want the following amounts to be taken from my salary:

Medical Expense Flexible Spending Account (Medical FSA) Max - \$2000	\$ Per Pay Period Amount (Divide total contribution by the # of pay periods.)

Health Care – Automatic Reimbursement

I certify that expenses reimbursed through my FSA will be incurred by me (and/or my spouse and/or my eligible dependents) and will not be reimbursed by another plan. I (or we) will not use the expenses reimbursed through the FSA program as deductions or credits when filing my (our) individual income tax return.

Approval

I understand that my contributions to each account can only be used to reimburse eligible expenses under each account and that I forfeit any funds remaining in my account at the end of the plan period.

I understand that this election form, for both the FSA categories as well as my eligible group insurance premiums, cannot be revoked or changed during the plan year, unless there is a qualifying change in status (e.g. marriage, divorce, death of a spouse/child, birth or adoption of a child, or termination of employment - see plan documents) which justifies the revocation or change. My Social Security benefits may be reduced since Social Security taxes are not paid on my contributions. I authorize payroll reductions as contributions to my health care accounts as indicated above. For members who end their employment, paper claims must be submitted to Anthem within 90 days of employment ending to receive reimbursement.

Employee Authorization: _____

Date: _____

FSA Eligible Expenses

Eligible Medical Items

A doctor's prescription is **NOT** required for these items.

- Athletic Braces & Supports
- Bandages
- Breast Pumps & Accessories
- Blood Glucose Monitors & Test Strips
- Blood Pressure Monitors
- Contact Lense Solution
- Denture Cream & Cleansers
- Diabetes Care Accessories
- Eye Glass & Lense Accessories
- First Aid Kits, Treatments & Supplies
- Glucosamine Supplements
- Glucose Tablets
- Hearing Aid Batteries
- Home Medical Equipment
- Heating Pads & Wraps
- Hot & Cold Packs
- Incontinence Products
- Lip Balm
- Medical Monitoring & Testing Devices
- Motion Sickness Aids
- Nasal Spray
- Orthopedic & Surgical Supports
- Prenatal Vitamins
- Reading Glasses & Magnifiers
- Shoe Insoles & Inserts
- Sunscreen
- Thermometers
- Vaporizers & Inhalers
- Walking Aids
- Vaporizers & Inhalers
- Walking Aids

Continued...

These items **DO** require a doctor's prescription.

- Acne Treatments
- Allergy Medicine
- Antacids & Acid Controllers
- Anti-Fungal Treatments
- Anti-Itch Treatments
- Antiparasitic & Lice Treatments
- Aspirin & Baby Aspirin
- Chest Rubs
- Children's Cold & Allergy Medicine
- Children's Fever & Pain Relievers
- Children's Stomach & Digestive Aids
- Cold Sore Treatments
- Corn & Callus Removers
- Cough Drops & Spray
- Cough, Cold & Flu Medicine
- Diaper Rash Cream
- Ear Drops & Wax Removers
- External Pain Relievers
- Eye Drops
- Nasal Spray
- Nicotine Gum & Patches
- Oral Pain Remedies
- Pain Relieving Creams & Pads
- Pain Relievers
- Skin Treatments
- Sleep Aids
- Stomach & Digestive Aids
- Topical Skin Treatments
- Wart Removers
- Stomach & Digestive Aids
- Topical Skin Treatments
- Wart Removers

General Expenses

Co-payments, Other expenses from medical doctor visits, Dental Expenses
Costs for non-cosmetic orthodontics and extractions, Dentures, Eyeglasses &
Contact Lens, Medical Monitoring Devices, Wheelchairs, Accessories, and
Repairs.

What is a health flexible spending account?

It's also known as an FSA and it's part of your benefits package. This account lets you use pre-tax dollars to pay for eligible health care expenses for you, your spouse, and your eligible dependents.

Here's how an FSA works. Money is set aside from your paycheck before taxes are taken out. You can then use these funds to pay for eligible health care expenses throughout the plan year. You save money on expenses you're already paying for like doctors' office visits, prescription drugs and much more.

Why is it a good idea to have a health FSA?

Health FSAs benefit everyone – whether you're single, have a family or are soon-to-be retired. Setting aside pre-tax dollars means you pay fewer taxes and increase your take-home pay. You also save money on eligible expenses that you're paying for out of your pocket. How much you save depends on your tax bracket.

For example, if you're in the 30 percent tax bracket, you can save \$30 on every \$100 spent on eligible health care expenses, like dental checkups, eyeglasses, and bandages. Find a full list of eligible health FSA expenses at anthem.com.*

What expenses are covered under a health FSA?

Only "eligible expenses" can be reimbursed under the FSA. These expenses are defined by IRS rules and your employer's plan.

Eligible health FSA expenses are those that you pay for out of your pocket when you, your spouse, or eligible dependents get medical care. The IRS says that this includes "items and services that are meant to diagnose, cure, mitigate, treat, or prevent illness or disease". Transportation for medical care is also included.

You can find a list of eligible expenses online at anthem.com.* Here are some examples:

- Your health plan deductible (the amount you pay before your plan starts paying a share of your costs)
- Your share of the cost for doctor's office visits and prescription drugs
- Your share of the cost for eligible dental care, including exams, X-rays, and cleanings
- Your share of the cost for eligible vision care, including exams, eyeglasses, contact lenses, and laser eye surgery

The list of eligible expenses is based on IRS rules. Here are some other IRS rules you should know about:

- **No double dipping** – Expenses reimbursed under your health FSA cannot be reimbursed under any other plan or program. Only your out-of-pocket health care expenses can be reimbursed. Plus, expenses reimbursed under a health FSA may not be deducted when you file your tax return.
- **Timing is everything** – FSAs have a start date and an end date, and the time in between is called the plan year. Expenses must be incurred during the FSA plan year. As noted in IRS guidelines, "expenses are incurred when the employee (or the employee's spouse or dependents) is provided with the medical care that gives rise to the medical expenses, and not when the employee is formally billed, charged for, or pays for the medical care". This means the date of service must be within the current plan year and not when you pay for the service.

Are over-the-counter medicines eligible expenses?

Yes, but they require a prescription. IRS rules state that over-the-counter (OTC) medicines and drugs are not eligible for reimbursement under your health FSA unless prescribed by a doctor (or another person who can issue a prescription) in the state where you purchase the OTC medicines. These rules do not apply to insulin (including OTC insulin).

Any claim you submit for reimbursement that has an OTC medicine expense must include a Request for Reimbursement Form and one of the following types of supporting documentation:

- A written or electronic OTC prescription along with an itemized cash register receipt that includes the merchant name, name of the OTC medicine or drug, purchase date, and amount
- A printed pharmacy statement or receipt from a pharmacy that includes the patient's name, the Rx number, the date the prescription was filled, and the amount

Here are some of the many OTC medicines and drugs that now need a prescription to be eligible for reimbursement from your health FSA:

- Allergy and sinus: Actifed, Benadryl, Claritin, Sudafed
- Antacids: Mylanta, Pepcid AC, Prilosec, TUMS
- Aspirin and pain relievers: Advil, Excedrin, Motrin, Tylenol
- Cold and flu: Nyquil, Theraflu, Tylenol Cold & Flu
- Diaper rash ointments: Balmex, Desitin
- First aid creams, sprays, and ointments: Bactine, Neosporin
- Sleep aids: Sominex, Tylenol PM, Unisom Sleep Tabs

What over-the-counter items are still eligible expenses?

There are many OTC items eligible for reimbursement through your health FSA, and you can use your benefit card to buy them. Here are some of the many eligible over-the-counter items:

- Bandages, Band-aids, and gauze
- Batteries for hearing aids, blood glucose monitors, etc.
- Diabetic supplies and test kits
- First aid kits
- High blood pressure monitors
- Thermometers

Can I use my FSA funds to stock up on over-the-counter items?

No. You can only use your FSA for items that you can reasonably use during the plan year. If you "stockpile" OTC items, you won't be reimbursed.

What expenses are not covered under a health FSA?

Expenses that are not approved are called "ineligible expenses". Ineligible health FSA expenses include:

- Cosmetic surgery and procedures, including teeth whitening
- Herbs, vitamins, and supplements used for general health
- OTC medicines that you don't have a prescription for (except insulin)
- Insurance premiums
- Family or marriage counseling
- Personal use items such as toothpaste, shaving cream, and makeup
- Prescription drugs imported from another country

Also, you can't use your FSA for:

- Services that take place before or after your coverage period
- Expenses that are reimbursed by another plan or program, including a health care plan

These are only a few examples of expenses that aren't covered by a health FSA. You can find a full list of eligible and ineligible expenses at anthem.com.*

How do I use my FSA for orthodontic services?

These services aren't provided the same way as other types of health care. Most of the time, they're provided over a long period of time and may extend beyond the plan year. Orthodontic services tend to be hard to match up with actual costs. As a result, the reimbursement process is different. You have two ways to be reimbursed:

1. **Entire cost of treatment** – This method allows you to be reimbursed for the full amount of the orthodontia contract. You can do this only if you paid the full amount during the plan year. To get reimbursed, send in these items:
 - Completed reimbursement request form
 - Proof of payment for the entire contract, including start date and expected end date
 - Proof of payment made during the applicable plan year in which you are requesting reimbursement
2. **Monthly approach** – This method allows you to be reimbursed for the first round of treatment (usually called banding fees) and then monthly reimbursement after that. To get reimbursed for banding fees, submit:
 - Completed reimbursement request form
 - Your treatment plan or itemized statement that includes the start date and the expected end date
 - Proof of the initial down payment

After you submit the first reimbursement request, send in these items for monthly reimbursement:

- Completed reimbursement request form
- An itemized statement or monthly coupons from the orthodontist
- Proof of the monthly payment

Is there a limit to how much I can contribute to my health FSA?

Yes. As a result of the Affordable Care Act, employee contributions have been capped for health FSA plans. The annual limit for the Diocese is \$2,000, and you cannot contribute more than this amount.

Can my spouse also contribute to an FSA?

Yes, if your spouse is eligible to make contributions to a health FSA.

How much money is available during the plan year?

The amount you put into your FSA is called an "annual election". Your entire health FSA election is available on the first day of the plan year. If your FSA is active, your available funds decrease as your claims are paid. You can find out your available funds by logging in to your account at anthem.com.*



How do I keep track of my account activity?

Your account information is available anytime day or night by logging in to anthem.com.^{*} You can find:

- Real-time account balance
- Claims status
- Reimbursement payment history

Where can I get a reimbursement request form?

This form is available at anthem.com.^{*} Just log in to your account to find it.

What do I need to submit along with a reimbursement form?

You must save all itemized receipts and other supporting documentation for every FSA expense. Try to keep all of your documentation filed in an envelope or box. What you'll need:

- **For office visits** – Your health plan's Explanation of Benefits (EOB) statement or an itemized receipt or bill from the provider. It should have the patient's name, a description of the service, the date of service, and your share of the charge.
- **For prescription drugs** – A pharmacy statement or printout with the patient's name, the Rx number, the drug name, the date the prescription was filled, and the amount.
- **For over-the-counter medicines** – A written or electronic OTC prescription along with an itemized receipt with the merchant name, the medicine name, purchase date, and amount; OR a printed pharmacy statement or receipt with the patient's name, the Rx number, the date the prescription was filled, and the amount.
- **For over-the-counter health care-related products** – An itemized receipt with the merchant name, item/product name, date, and amount.

In some cases, a Medical Determination Form filled out by a doctor is required. Credit card receipts, canceled checks, and balance forward statements do not meet the requirements for acceptable documentation.



What is a run-out period?

It's a set number of days after the plan year ends that allows you to submit claims for eligible expenses incurred during the plan year. Not all FSA plans include this feature and the time frame of the run-out period may vary by plan. The Diocese of Owensboro's run out period is 90 days.

Some people get a run-out period confused with a grace period extension, so here's an example that shows the difference. Let's say your plan year begins on January 1 and ends on December 31.

- The **run-out period gives you extra time to submit reimbursement requests** for eligible expenses incurred in the plan year. If you visit the doctor in December – the last month of the plan year – you may submit a reimbursement request for that expense during the run-out period. You will be reimbursed from the funds left in your health FSA from the previous plan year.

What is the "use-it-or-lose-it" rule?

The IRS created this rule, which states that all money left in your FSA is forfeited after the plan year ends, or if applicable, after the run-out period. The Diocese of Owensboro has a carryover feature of \$500, wherein you may carry over up to \$500 of unused funds into the next plan year. After the carryover, you forfeit remaining unused funds that are more than the carryover amount.

The unused portion of your health FSA cannot be paid to you in cash or other benefits, and you can't transfer money between FSAs. To reduce your risk of losing money at the end of the plan year, carefully estimate your expenses when choosing your annual election amount.

Can I change my election amount?

Your election can't be changed during the plan year unless you have a change in status or other qualified event (defined by IRS rules). Your employer's plan must also allow the change. A qualified change in status event includes:

- A change in legal marital status (marriage, divorce, or death of your spouse)
- A change in the number of your dependents (birth or adoption of a child, or death of a dependent)
- A change in employment status of you, your spouse, or dependent
- An event causing your dependent to satisfy or cease to satisfy an eligibility requirement for benefits
- A change in residence of you, your spouse, or dependent

Two things need to happen for an election change to be allowed. First, you must have a change in status or other qualified event. Second, your requested change must be consistent with the event. For example, if you have a baby, you could increase your FSA contribution.

Please note: If you have a change in status or other qualified event, contact your human resources or benefits representative for the forms you'll need to fill out.



What happens if I stop working for this employer?

If you stop working for your employer or you lose your FSA eligibility, your plan participation and your pre-tax contributions will end automatically. Expenses for services you have after your termination date are not eligible for reimbursement. You have 90 days to submit eligible expenses incurred prior to your termination.

*If you are not enrolled in an Anthem health plan, you will need to log in to your Reimbursement Benefit Account at benefitadminsolutions.com/anthem. When logging in for the first time, please have on hand your Anthem Reimbursement Benefit Account number or Social Security number and date of birth.

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