



BMS Prepares You With  
News You About Your  
Take Care Debit Card



## *IRS Mandates Drug Stores and Pharmacies to Auto-Substantiate Transactions Using Flexible Benefit Cards. Is Yours Ready??*

The mandate requiring drug stores and pharmacies to implement IAS, or be considered a “90 percent” retailer, is coming soon! *As of July 1, 2009, drug stores and pharmacies yet to become IAS Certified or registered as a “90 percent” retailer will not be able to process flex benefit cards.*

What does this mean to participants? If a participant uses a retailer which has not yet become IAS certified or taken action to be considered a “90 percent” retailer they will not be able to use their flexible benefits card at that location. To avoid frustration when this happens, BMS wants to take steps now to educate participants of this change and how this will affect the use of their Take Care debit card.

IAS certified means that at the point of sale, the retailer is able to distinguish qualified medical expenses versus non-qualified medical expenses as outlined under Section 213D of the IRS code.

“90 percent” retailer means that the retailer has certified that 90 percent of the store’s gross receipts consist of items which qualify as for medical care, including over-the-counter medications.

It is important that drug stores and pharmacies take steps NOW to ensure that flexible benefit cards may be used at their location.

Has your drug store or pharmacy met this mandated criteria? *Attached is a listing of merchants associated with BMS clients who are currently NOT showing as IAS compliance.* For all of the facts please have your retailer visit [www.sig-is.org](http://www.sig-is.org) for a complete overview on all of the information they will need in order to accept the Take Care debit card.

Please contact the BMS LLC office for further information on how this will affect participants and how to get your retailer ready for this change.

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