

## Top 10 Employee Questions about the Take Care FSA Debit Card!



1. Why are receipts being requested?? Isn't it clear that the swipe was done at a doctor's office??
  - a. Yes, it is clear where the swipe took place, however we cannot assume that any purchase from a doctors office, dentist or from an eye doctor would be okay. Actually, things like teeth bleaching or non-Rx contacts (just to change eye color) would not qualify for the FSA. BMS is required per IRS guidelines to review receipts for certain debit cards transactions to validate that the transaction was for a qualified medical expense. Even though you still have to obtain a valid receipt for all debit card purchases, you may not have to send certain ones in every time you use your card. For example, if the Dr. Office co-pays are even amounts (e.g., \$10) you will not be asked for a receipt. If they are odd amounts (e.g., \$27.63) you probably will be asked to provide a receipt. Most often receipts are necessary for hospital bills, dental services and vision expenses. In reality, less than 10% of swipes actually require substantiation via receipt.
2. What information do I need to submit for the transaction??
  - a. The IRS says a valid receipt will have the medical provider's name, the patient's name, a description of the product or service, the date of service or date of purchase and the amount of the expense. Certain expenses (such as medical deductibles) require an Explanation of Benefits (EOB) statement from the insurance company to determine exactly what they expect the member or patient to pay. Items such as cancelled checks, credit card statements and similar items are **UNACCEPTABLE** to the IRS.
3. Can I use my Take Care Debit Card to pay for a service that occurred last year??
  - a. No, transactions and payments using the debit card should be for services and expenses within the current FSA plan year. Paying a medical bill for a service date that was incurred in a previous FSA plan are considered non qualified expenses in the eyes of the IRS. Anything purchased with the FSA Debit Card that is not allowed, considered ineligible by the IRS or is not verified must be repaid to the program or else the IRS says your card must be suspended.
4. Can I order a card for my spouse or child away at college??
  - a. Yes! Extra cards can be ordered by going online to [www.bmsllc.net](http://www.bmsllc.net) and accessing your own personal online account. Under the Flex Debit Card tab there is an option to order extra cards at your convenience 24/7!
5. Do you send me a letter to let me know if I need to submit receipts??
  - a. BMS does not send out letters to each of our participants but we do send monthly e-mails. At the first of each month, if an employee has a receipt being requested an e-mail is sent directly to the e-mail address provided on their election form. Employees should check their e-mails & SPAM filters often to see if BMS is requesting a receipt. Or they can log on 24/7 to their personal online account to review if any receipts are being requested by looking under the Pending Payments tab.

6. The website says my debit card transactions are “pending”. Was the provider paid??
  - a. Yes! Even though the transaction is listed under the Pending Payments tab, the expense has been paid and the money has been deducted from your account. The transaction is listed under pending because BMS needs to review the receipt for the transaction to verify it was for an eligible medical expense. Receipts can be submitted via e-mail, fax or mail to our office.
7. If the expense I am using my debit card for is nonqualified, then why doesn't the debit card reject the transaction when I am trying to pay??
  - a. Even in this high-tech society medical debit cards are only “half smart”. Recently a mandate requiring drug stores and pharmacies to implement IAS or become a “90 percent” retailer went into effect. 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 213(d) 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. If the card is used to attempt to purchase a nonqualified item at one of these locations the transaction will be denied, however the card has no way of telling if the card is being used for a nonqualified expense at the doctors office or at the dentist which is why often receipts from these providers are requested.
8. What if I use my card and the expense turns out to be nonqualified?? Do I have to pay the amount back??
  - a. If the debit card is used for a nonqualified expense BMS will notify you of the nonqualified expense and that the amount needs to be paid back to the plan. Repayments for nonqualified expenses can be made by going online to access the employee's individual account and paying by personal debit or credit card or a check can be made out to BMS LLC and mailed to our office.
9. How do I know that you received the receipt I submitted??
  - a. Once you have submitted a requested receipt please allow 24-48 hours and access your personal online account. Once we have received the receipt and substantiated the transaction this will no longer be listed under the Pending Payments tab.
10. Why was my debit card suspended??
  - a. A deadline for submitting requested receipts will be indicated on the website. Once you receive an e-mail indicating that you have receipts that need to be reviewed, please log onto your personal online account to review receipts we are requesting. We allow 60 days for you to respond to requests for receipts prior to us automatically suspending your card.

***We are committed to making this a successful program for you and your fellow co-workers. BMS LLC values your participation in the program!***