

Flexible Spending Accounts



Avera 
Health Plans

1 (866) 791-0982
www.AveraHealthPlans.com

You can put aside funds for certain medical expenses and dependent care expenses with Avera Health Plans!

These funds are taken out of your paycheck before taxes. You can choose one, two or all three of the following options to save using your Flexible Spending Account:

Health Care Expenses

Your deductibles, co-insurance, co-payments, vision care, dental care and prescription drugs may be put into a pre-tax account to use for health care expenses.



The Avera Health Plans Prepaid Visa® Card (also known as the Flex Prepaid Card) makes it easy for you to access the money you have set aside in your health care expense account. No submitting receipts and forms when you use your card.

Dependent Care Expenses

Your dependent care expense account may be used to pay for daycare, home care or nursery care services for dependent children under the age of 13.


In certain circumstances, you may use it when you're providing support for a disabled spouse, child or parent who lives with you and is your dependent.



Health Premium Reimbursement Account

You can pretax your premiums for individually owned health policies. This is not a separate benefit, but a mechanism qualifying the premiums for these individually owned policies to be eligible under a flexible spending account.

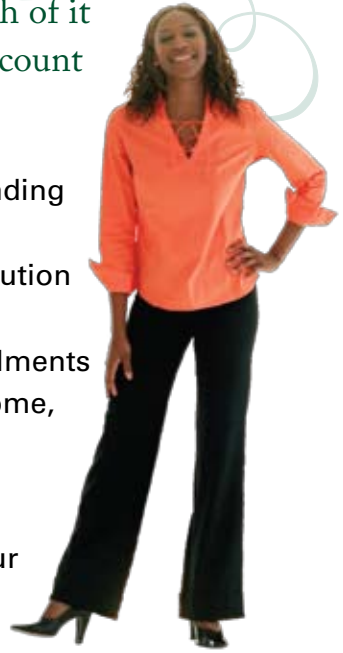
This option allows you to pay your share of the premium before taxes are calculated, thus lowering your taxable income. This option cannot be used for employer sponsored insurance.

 *Check with your employer to see which options are available where you work.*

Let's face it – you work hard for your money and you want to keep as much of it as you can. Your flexible spending account helps you do just that!

When choosing to have a Flexible Spending Account (FSA), you elect to have your health care and dependent care contribution deducted from your paycheck each pay period. This will be done in equal installments throughout the year before federal income, state income (if applicable) and Social Security taxes are taken out.

Bottom line, every dollar you put in your FSA is tax-free, spendable income.



Here is how it works:

Example	Without Flexible Spending Account	With Flexible Spending Account
Gross Monthly Income	\$3,000.00	\$3,000.00
Monthly Flexible Spending Account Deposit	0.00	-200.00
Taxable Income	3,000.00	2,800.00
Federal Income Tax (15%)* (Taxable Income x 15%)	-450.00	-420.00
Social Security Tax (7.65%) (Taxable Income x 7.65%)	-229.50	-214.20
Monthly Income after Taxes	2,320.50	2,165.80
Monthly Health Care or Dependent Care Expense	-200.00	0.00**
Take-home Pay	\$2,120.50	\$2,165.80
Monthly Savings		\$45.30
Annual Savings (Monthly Savings x 12 months)		\$543.60

*This example is an estimate for illustrative purposes. The effective tax rate will vary based on each individual's income level.

**There may be non-qualified health care or dependent care expenses not covered by your Flexible Spending Account.

Frequently Asked Questions

Q: How do I enroll?

A: A Flexible Spending Account Enrollment Form must be completed before any pretax deductions can begin. If an enrollment form is not provided, ask your employer.

Q: May I enroll later or change my mind?

A: You must enroll during an open enrollment period in order to take advantage of the tax breaks. You can change your election during the plan year only if the requested change is due to and consistent with a qualifying event such as:

- Change in marital status
- Change in dependent status
- Change in employment status

Note: The qualifying events are subject to your plan document.

Q: How do Flexible Spending Accounts work?

A: When you enroll, you tell us how much money you want to contribute to your account. That amount of money is divided among the number of pay periods you have during the year. The money is deducted from your paycheck before taxes are applied.

Q: How do I access money in my Flexible Spending Accounts?

A: For health care expenses, you can access the money by:

1. Using your Flex Prepaid Card when you buy qualified health care items.
2. Submitting a completed claim form along with a receipt.

For Dependent Care Expenses, you can access the money by submitting a completed claim form along with a receipt.

If the expenses are approved, you will be reimbursed with funds from your Flexible Spending Accounts.

Q: What if my dependent care expenses are more than what I have in my account?

A: If your claim is for more than what you have in your account, we will reimburse you for the amount you have in your account. The rest of your claim will be paid when your next payroll deductions have been posted to your account.

Q: Where can I use the Flex Prepaid Card?

A: Simply present the Flex Prepaid Card at participating pharmacies, drug stores and super markets that accept Visa® debit cards.

The funds are automatically deducted from your Flexible Spending Account for payment. The Flex Prepaid Card can also be used at health care providers, such as hospitals, doctors and dentists.



Q: What happens if I don't use all the money in my accounts?

A: The regulations that govern Flexible Spending Accounts mandate that you cannot "roll over" money into next year's account. Because you "use it or lose it," it is very important that you are conservative in the amount you choose to deduct from your paycheck.

www.AveraHealthPlans.com



We have online resources to support your flexible spending account. After you login to your secured account, click on the "My Benefits" tab.

The following resources can be found on our website:

- Forms
- Links to access your flex balance or to a list of merchant locations
- Eligible listings for flex spending

If you have any questions, please call us toll-free at
1 (866) 791-0982 or Fax **(605) 322-4688**
Monday through Friday, 8 a.m. to 5 p.m. CT

Avera Mission – *Why We Exist*

Avera is a health ministry rooted in the Gospel. Our mission is to make a positive impact in the lives and health of persons and communities by providing quality services guided by Christian values.

Our Vision – *What We Work to Do*

Avera Health Plans intends to maintain an outstanding health insurance financing and administration service guided by Christian values, with health care provided within a fully integrated care delivery system.



Look no further.

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