



FOOTHILL-DE ANZA
Community College District
Office of Human Resources and Equal Opportunity

2014 OPEN ENROLLMENT
VOLUNTARY BENEFITS

Please refer to the Evidence of Coverage or the Summary Plan Description for details of benefit limitations, exclusions, and general program parameters.

FLEXIBLE SPENDING ACCOUNTS (FSA) – Administered by PayFlex, Group #709593

Definition: Flexible Spending Accounts (FSA) provides a simple way to gain tax savings. Participating in an FSA allows you to contribute, on a pre-tax basis through payroll deduction, to a health care and/or dependent care account. When you incur eligible expenses, as defined by the IRS, you may then request reimbursement from your account(s). The reimbursements you receive from these accounts remain tax-free when they are paid to you.

Plan Year: The plan year is the period between January 1, 2014 through December 31, 2014 when your expenses must be incurred, regardless of when the service is billed or paid.

Contributions: Contributions for FSA's are deducted from each paycheck on a pre-tax basis. The annual contribution limits associated for each account are:

A. HEALTH CARE ACCOUNT (HCA):
\$500 minimum; \$2,500 maximum

IMPORTANT: Please note that employee contributions or premiums towards healthcare cost are not an eligible expense under this plan. Hence, do not include your estimate cost for HCA.

B. DEPENDENT CARE ACCOUNT (DCA):
\$500 minimum; \$5,000 maximum
Note: (DCA allows \$2,500 if married and filing separate tax returns)

- Health Care FSA funds and Dependent Care FSA funds must remain separate. Contributions made to one account cannot be used to reimburse expenses for the other account.
- The IRS provides for a maximum of \$5,000 in combined contributions to any Dependent Care FSA, per family, per calendar year.
- Any unused funds remaining in your FSA account(s) after the close of the plan year are forfeited as required by the IRS.

How to make FSA Elections: (1) Use Open Enrollment Online to review your current FSA elections, (2) Estimate your eligible expenses for the plan year (3) Make your elections at <http://www.ielect.com> for **each** plan year. It is **not** automatically renewed.

FSA Election Changes During the Plan Year: You can only make election changes during the year within 31 days of a qualifying status change. There are two types of qualifying changes: (1) Family Status Changes and (2) Employment Status Changes.

- ❑ **HEALTH CARE FSA:** Pre-tax deductions can be used to reimburse eligible health care expenses (medical, prescription, dental and vision) incurred by you or any of your eligible dependents. Eligible expenses cannot be paid or reimbursed by any benefit plan, and do not include health plan contributions or premiums.

Flexible Health Care Flexible Spending Accounts. Except for insulin, over-the-counter (OTC) medications and other supplies are no longer reimbursed through a health care spending account. First aid supplies, allergy and cold medication, and contact lens cleaner unless you can show proof that it was prescribed by your health care provider. The maximum amount you can set aside in the FSA will stay the same (\$2,500), for PY 2014.

For a detailed list of eligible expenses, please refer to IRS Publication 502 (Health Care Expenses) available online at <http://irs.gov>.

- ❑ **DEPENDENT CARE FSA:** Pre-tax deductions can be used to reimburse any child (under 13 years old) and dependent (elder) care expenses that would otherwise be eligible for a tax credit, as defined by the IRS. The care provider cannot be your child under age 19, or anyone else you or your spouse can claim as a dependent for tax purposes. You will be required to report the Tax ID number or social security number of your dependent care provider.

For a detailed list of eligible expenses refer to IRS Publication 503 (Child and Dependent Care Expenses), available online at <http://irs.gov>.

NOTE: You may not use this account to reimburse health care expenses for your dependent(s).

If you elect to participate in the PLAN YEAR 2014 FLEXIBLE SPENDING ACCOUNTS, your policy will become effective on January 1, 2014. Your first payroll deduction will occur on January 31, 2014.

For information regarding FSA approved expenses or exclusions by the IRS, please contact PayFlex Customer Care at 1-800-284-4885. [Any amounts not used for expense incurred during the Plan Year will be forfeited.](#)

REMINDER: Per IRS Notice 2011-5, FSA Healthcare Account may be used to purchase OTC medications or prescriptions, providing the purchase meets certain eligibility requirements.

1. Prior to purchase, the prescription for the OTC medicine or drug must be presented to the pharmacist;
2. The OTC medicine or drug must be dispensed by the pharmacist in accordance with the applicable laws and regulations pertaining to the practice of pharmacy in that state;
3. A prescription (Rx) number must be assigned;
4. In accordance with IRS record keeping requirements, the pharmacy or vendor must retain a record of the Rx number, the name of the purchase or the person to whom the prescription applies, the date and amount of the purchase;
5. All of these records must be available to the Third Party Agent upon request.
6. Letter of Medical Necessity for OTC drugs must accompany with all OTC claims request.

If these requirements are met, you may purchase OTC medications with a prescription using your Flexible Spending Account. Because the medications filled by the pharmacist, it is being purchased as a prescription, not as an over-the-counter product.

IMPORTANT: Please note that the deadline to apply for FSA reimbursement of expenses incurred for the current Plan Year 2013 (January-December) is **March 31, 2014**. The deadline for Plan Year 2014 (January-December) is **March 31, 2015**. Failure to incur expenses within the plan year or to submit claims for reimbursement by the deadline will result in a forfeit of the balance of the account(s) per IRS regulation. Please understand that the FSA program is administered in accordance to the IRS tax codes, neither *PayFlex or FHDA has the authority to make any exception to this IRS rule. It is your responsibility to meet the deadline by serving appropriate documentation required to PayFlex for claims consideration.*

SUPPLEMENTAL TERM LIFE INSURANCE AND ACCIDENTAL DEATH & DISMEMBERMENT PLAN

**(Underwritten by HARTFORD Life Insurance Company)
Group # 677313**

The minimum coverage for an employee's supplemental life policy is \$50,000, and for the spouse is \$25,000. However, the maximum supplemental term life coverage for the employee and spouse/domestic partner coverage is \$150,000. The dependent children amount will remain unchanged at \$10,000 respectively.

As a reminder, Hartford enforces the 12 months premium over 12 equal payroll deductions. To avoid arrear payment for Ten and Eleven-month employees, the District will apply a double (Eleven-month employee: July or August + September) and/or triple (Ten-month employee: July/August/Sept) premium deduction at the earliest payroll cycle. This action will bring the account up-to-date with the payment schedule.

Existing policyholders will be defaulted to the same level of coverage and premium for Plan Year 2014. Therefore, to maintain your existing coverage, you do not need to fill out any paperwork; however, you must verify your current level of coverage amount online via iElect.

To enroll or withdraw from the voluntary term life program, to select new coverage, or to make a change to your current policy. You must:

- 1) Make your selection **online via iElect**
- 2) Complete both the HARTFORD Life Insurance application and Evidence of Insurability (EOI) forms by the deadline of October 11, 2013.

Note: Both forms can be downloaded online during your election process via iElect or access District's Benefits Web Site: <http://hr.fhda.edu/benefits/>.

Important: Failure to complete both applications will automatically disqualify you from the application process.

How to pay for your supplemental life premium? Your payroll deductions may change if you are in a different age bracket on January 1, 2014. You can view premium rates on the iElect website. Premium rates are calculated on a monthly basis and payroll deductions will be deducted accordingly over 12 pay periods.