

Flexible Spending Accounts — REAL SAVINGS. REAL SIMPLE.

What is an FSA?

With an FSA, you elect to have your annual contribution deducted from your paycheck in equal installments throughout the year. The amount of your pay that goes into an FSA will not count as taxable income, so by participating, you are actually increasing your take home pay! FSA dollars can be used during the plan year to pay for qualified expenses and services.

- **A Medical FSA** allows reimbursement of qualifying out-of-pocket medical expenses.
- **A Dependent Care FSA** allows reimbursement of dependent care expenses, such as daycare, incurred by eligible dependents.

With an FSA you can...

- Pay for qualified expenses with pre-tax dollars
- Enjoy significant tax savings with pre-tax contributions and tax-free reimbursements
- Enjoy secure access to your accounts using GDI's convenient Participant Portal, available 24/7/365
- Use your GDI debit card or file claims easily online
- Download the GDI Mobile App and manage your account(s) on the go

GDI Debit Card



The GDI Debit Card will be pre-funded with the value of your annual Medical FSA election amount. Simply swipe your card at the time of purchase and the amount of your eligible expense will be automatically withdrawn from your account. You'll have no claim forms to complete and you won't have to wait for a reimbursement.

Always save your receipts! While 85% of all debit card swipes substantiate automatically, you may be asked to provide a receipt to verify your purchase. See the following page for more information.

You will receive one card in your name. You may order additional cards for family members via GDI's Participant Portal. There is no cost for dependent cards provided that they are ordered within 30 days of your plan year start date. A \$10.00 replacement fee applies for lost/stolen cards.

Do not destroy your card at the end of the plan year. Your card is like any other debit/credit card and arrives with an embossed expiration date.

Key points to remember: You may only use the card for services that will not be reimbursed from another source. It's also important to use the card for services that have been incurred in the current plan year. Pre-payment and using the card to pay for a service that was received in a prior plan year are not permitted by IRS regulations.

Use your card to pay for eligible out-of-pocket expenses:

- Prescription and health plan copayments, deductible & coinsurance
- "Amount Due" on medical and dental statements
- Orthodontics
- Mail-order or online prescriptions
- Vision services, glasses, contacts, LASIK
- Medical supplies such as bandages

On the go...24/7/365

With the convenience of a mobile device, you can see your available balance anywhere, anytime as well as file claims and upload receipts for card transactions when required. Simply download the free GDI Mobile App.



Questions? Visit www.gdynamic.com or call 1-800-626-3539

Receipts and Debit Card Substantiation

IRS Rules Govern Substantiation Requirements

The IRS established specific guidelines that require all Flexible Spending Account (FSA) transactions — even those made using a debit card — to be substantiated (verified that the purchase was an eligible medical expense). GDI is very diligent in the execution of the substantiation process to avoid adverse tax consequences to participants.

Common Misconceptions about Receipt Requirements

1. If the card is used for an eligible service, no further receipts or documentation are needed to support the expense.
2. Transactions at any doctor, dentist or vision provider will not require receipts.

These statements are **NOT TRUE!** Since not all services from a provider are eligible expenses, itemized receipts are required to verify eligibility. For example, a dentist may perform teeth whitening, which is not eligible for reimbursement.

Always Save Itemized Receipts

Participants should save their itemized receipts from every card transaction. Receipts can be uploaded to the Participant Portal from GDI's App using the camera on your mobile device! Otherwise, participants should designate an envelope or folder to store documentation in their personal files. Using this process will help find documentation if requested.

An itemized receipt includes:

- Name of person who incurred the service or expense
- Name and address of the provider or merchant
- Date of service for the amount charged
- Detailed description of the service
- Amount due for the service provided

Credit card receipts and cancelled checks are not acceptable!

Requests for Substantiation

If substantiation of a debit card transaction is required, participants will be notified by email or an alert on the Participant Portal home page. Card transactions that require substantiation are displayed through messages in both the Message Center on the home page and their account summary page. Employees may also see if a claim requires substantiation by logging into their online account or mobile app to check the status of the claim.



Type of Charge on Debit Card	Substantiation Required	No Follow-Up Required
Matched Co-pays		✓
Transactions at merchants who can electronically validate the expense at the point of sale		✓
Recurring Expenses	1 time only (annually)	No further substantiation required if subsequent transactions are at the same merchant for the same dollar amount
Dental Care	✓	
Vision Care	✓	
Medical Care	✓	