



DEBIT CARD FAQ'S

What is the Benny Card? The Benny Card is similar to any debit or credit card in appearance, and may be used to pay prescription drug co-payments, physician visit co-payments, and other eligible medical expenses under the Health Care Reimbursement Account. It can be used *nearly everywhere Visa® is accepted.*

How will the debit card work? Currently, when you purchase your prescription drug from the pharmacy, you pay the co-payment either by writing a check, paying by cash, or using a major credit card. You then submit paperwork including proper documentation of your expenses to Flex Corp, who reimburses you for those out-of-pocket expenses. The debit card will permit you to pay the co-payment by “swiping” the card, in the same manner as you would “swipe” a credit card. The co-payment amount then reduces the available balance in your debit card account. This same method of payment will work at medical facilities, such as the physician’s office, the optometrist, the dentist, etc., if the card is accepted at such facility.

Does the debit card require a PIN? No, it does not. You will swipe this debit card as you would for a credit transaction, and you will sign for it.



May I use the debit card to purchase medical items at a non-medical facility?

In many instances, yes. Effective January 1, 2008, any non-medical facility, such as supermarkets (Randall’s, HEB, etc.), wholesale clubs (Sam’s Club, Costco, etc.), and discount stores (Target, WalMart, etc.) were required to implement a system known as the Inventory Information Approval System, or IIAS, if they wished to accept the debit card as payment for medical expenses, such as eyeglasses, prescription drugs, and eligible over-the-counter drugs and medicines. The IIAS system identifies eligible and non-eligible expenses at the point of sale and permits the use of the debit card for only those eligible items. For instance, if you shopped at HEB and picked up a prescription drug, a bottle of aspirin, and a quart of milk, presented those items at the check-out counter, and provided your debit card as the method of payment, the register would identify the prescription drug and the bottle of aspirin as eligible items and permit the use of the debit card as payment for those items. You would then be asked for another form of payment for the quart of milk.

Many non-medical facilities have implemented the IIAS, and you can find a complete list, updated weekly at www.sig-is.org/en/documents/SIGIS_merchant_List.pdf.

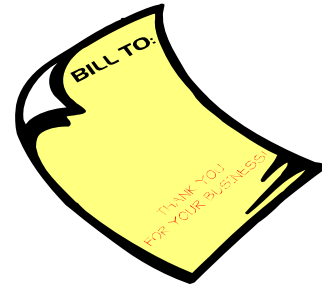
The most significant benefit of using the debt card at IIAS facilities is that since the expenses are adjudicated at the point of sale, you do not need to furnish paper documentation of the debit card swipe transaction!

Remember, the above information refers only to non-medical facilities which have implemented IIAS.

Are there other future restrictions I should be aware of? Currently, we know of only one other restriction which will occur on January 1, 2009. On this date, the card will not work at any drug store or pharmacy unless and until (i) the drug store or pharmacy has implemented the aforementioned IIAS, or (ii) the individual drug store or pharmacy can show that ninety (90) percent of its receipts during the prior taxable year consisted of items which qualify as expenses for medical care.

Do I still need to submit paper receipts?

Generally speaking, yes. Once you use the debit card for an eligible medical expense, you will be required to submit proper documentation for the expense.



There is a “Debit Card Claim” form available on the Flex Corp website for this purpose. The address is www.bpah.com. You will have ten (10) days from the date of the debit card transaction during which to furnish Flex Corp with proper documentation of the expense. Flex Corp will review your documentation to ensure the debit card was only used for eligible expenses.

Are there any scenarios in which paper documentation is not required? Yes, there are limited situations in which documentation is not required. There is a feature referred to as “auto-adjudication”, used by some employers whereby very specific debit card swipes for office visit co-payments and prescription drug co-payments do not require documentation. You should check with your employer to determine if this feature is available to you.

Additionally, as mentioned earlier, those debit card swipes which are adjudicated at the point of sale do not require any further documentation.

Can you explain more about the medical and prescription drug co-payment auto-adjudication option?

Certainly. The Employer must make the decision to allow for auto-adjudication of co-payment and co-payment multiples. Then, Flex Corp will then set up the Rx and office visit co-pay tables which will permit for the auto-adjudication feature.

Assuming the prescription drug co-payment amounts are \$5.00, \$10.00, and \$20.00, then up to \$100.00 of prescription drug co-payments can be auto-adjudicated (5 X the highest co-payment amount of \$20.00 = \$100.00), in even multiples of applicable co-payments. Here are some examples;

Example 1: A participant purchases three \$20.00 prescriptions and four \$10.00 prescriptions, for a total of \$100.00. This swipe can be auto-adjudicated because the total amount of the swipe is not more than five times the highest drug co-payment, and the purchase is even multiples of the applicable co-payment amounts.

Example 2: A participant purchases three \$20.00 prescriptions and a bottle of over-the-counter cough medicine, and a bottle of aspirin, for a total of \$66.20, and uses the debit card for the total purchase. While the purchase is under the \$100.00 maximum, the purchase is not an even multiple of the applicable co-payment amounts, and the total purchase must be properly substantiated, which means that the participant must provide the drug tickets for each of the three



prescriptions purchased, and a cash register tape which clearly indicates the additional purchase of cough medicine and aspirin.

Example 3: A participant purchases four \$20.00 prescriptions and three \$10.00 prescriptions for a total of \$110.00. The purchase is over the \$100.00 maximum and the total \$110.00 purchase must be properly substantiated, as provided in our second example.

May I continue to submit paper claims for reimbursement instead of using the card? Yes. Paper claim submission will still be available to you instead of using the debit card. We anticipate that not all service providers will accept Visa® and that there will be eligible medical expenses incurred with merchants whose “merchant codes” do not qualify.



Will my spouse receive a card as well? Participants will initially receive two (2) cards, both in the name of the employee. The additional card can be given to another family member to use. The eligible user should sign his/her own name on the back of the card. Additional cards can be requested for eligible users. Additional cards are issued in pairs in the primary cardholder’s name with the same status and account information. Once the cards are received, each eligible user should sign his/her own name on the back of the card. There is a \$5.00 fee for each additional set of cards requested and the fee will be deducted from your annual contribution.

What will happen if I use the card for an ineligible expense? Upon receipt of your written claims documentation of a debit card purchase, each expenditure will be reviewed by Flex Corp for eligibility. If you have used the card for an ineligible medical expense, you will be notified in writing to refund the cost of the ineligible expense. Your card will be suspended until such time as the refund is received and posted.

You should understand that by using your card, you are agreeing to refund any ineligible amount in a timely manner.

Therefore it is very important that you only use the card for eligible expenses to avoid loss of your card privileges.

What will happen if my card is deactivated? Your card can be deactivated for a number of reasons, including repeated use for ineligible expenses, failure to repay the plan for any ineligible expenses, failure to furnish requested substantiation information, etc., or any other misuse of the card. If your card is deactivated, and the requested payment is made or the requested information is provided, your card will be reactivated at no cost to you. **Repeated misuses of the card may result in your card being cancelled, in which case all claims must be submitted on paper.**

What will happen if my card is lost or stolen? Lost or stolen cards should be reported immediately to your employer and customer service representative at Flex Corp. Once reported lost or stolen, the card will be cancelled and a new card will be issued. At the time your initial card is issued, you will receive a cardholder agreement which will detail your responsibilities regarding lost or stolen cards.

Where can I find more information on the card? When your debit card is issued to you (you will receive it at your home address) it will be accompanied by a Cardholder Agreement. The agreement details your responsibilities regarding the use of the card. By signing the card and/or using the card for the first time, you are agreeing to the terms of the agreement. You should read



it thoroughly and carefully.



Is there a charge for using the card? Yes. The card fee is \$1.50 per month. However, your employer may have chosen to absorb this cost; please check with your employer to be certain.



Use Your Benny Card to Save on Over-the-Counter Pharmacy Purchases

There is a new online store that offers a convenient way to save on FSA-approved over-the-counter pharmacy items. The new www.drugstore.com **FSA Store** makes it quick and easy to use your Benny Card for convenient at-home shopping. Simply log on to the online pharmacy **through the Flex Corp website at www.bpah.com**, and use your Benny Card to pay for your purchases. The website clearly identifies FSA-eligible products that can be purchased with the debit card.

If you purchase over-the-counter drugs through www.drugstore.com, because only FSA-approved over-the-counter items can be purchased with your Benny Card, you don't have to send in any receipts! Plus, all applicable taxes, shipping and handling expenses are FSA-eligible and are simply added to your purchase total and paid for with your Benny Card. (The purchase of non-FSA approved items is also allowed. However, upon checkout, a secondary form of payment is required.)

