

Full Service HSA Participant Reference Guide

Welcome to FlexSystem's Full Service Health Savings Account (HSA)! We know you will agree with us that your HSA is a valuable benefit! This Guide will walk you through the final steps that you need to take to complete the set-up of your HSA account, the funds transfer process, change of election rules and procedures, show you how to track your account, and explain how to handle the end of the Plan Year. Please retain this Guide for future reference.

Final Steps in Your Account Set-up

Your HSA account is being set up at our financial institution partner, M&I Bank FSB. Once we have completed processing your account set up, you will be free to transfer funds from your HSA to your personal account, and use your HSA check card to pay for qualified medical expenses.

You should have already, or will soon, receive a separate packet of materials from M&I Bank FSB to complete the set-up of your HSA. In this packet is your M&I Bank FSB HSA account number and other important documents that require your attention. It is important for you to complete the documentation requested by M&I Bank FSB and return the materials directly to M&I Bank FSB in the envelop provided. Only with the completion and processing of these additional documents will your HSA be fully set-up.

Submitting a Reimbursement Request

The funds in an HSA accumulate on a tax-deferred basis (state taxes may vary). Withdrawals for qualified medical expenses are not taxable. Conversely, withdrawals prior to age 65 for reasons other than qualified medical expenses are taxable and subject to a 10 percent penalty as well. Upon suffering a disability, reaching age 65, or attaining Medicare eligibility, funds can be withdrawn for non-medical reasons without penalty, but the distributions will be subject to income taxes.

You may request a reimbursement any time a qualified expense has been incurred. The service related to the expense needs only to have taken place; it need not be

paid before requesting a reimbursement. Only request transfers for (a) eligible expenses incurred during the applicable plan year, (b) for eligible Plan Participants, and (c) for expenses that have not been previously reimbursed under this or any other benefit plan, or claimed as an income tax deduction. It is your responsibility to comply with these guidelines and to avoid submitting duplicate or ineligible reimbursement requests.

Submitting a Reimbursement Request is easy! Here are the simple steps you should follow.

Option 1: Check Card and Paper Checks

As a feature of your HSA with M&I Bank FSB, you will be issued a check card and paper checks (at your request for an additional fee) to facilitate the payment of eligible HSA expenses.

Option 2: On-Line

You may make Reimbursement Requests on-line at www.accesstasc.com. You will need your Client ID, Participant ID, and PIN assigned by TASC to access your account on the website.

- Log on to www.accesstasc.com
- Click on Account Balance
- Enter your Participant Information
- Choose the HSA Tab
- Enter the amount you wish to request in the box and click on the Transfer button.

Option 3: Manual

Along with this Guide you received a personalized Account Transfer Request Form. Make additional copies of this form for future reimbursement requests. On the bottom of the Account Transfer Request Form are some transfer tips. These tips will educate and assist you in receiving efficient and prompt reimbursements.

- Complete the Account Transfer Request Form. Fill in the amount of the transfer request and sign the form.

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- Verify your name and address, taking care to and make any necessary changes.
- To submit your Account Transfer Request by fax use 1-608-245-3623. To submit your request by mail, send your request to FlexSystem, PO Box 7038, Madison, WI 53707-7038.

FlexSystem
HSA Full Service Funds Transfer Form

New Address, check here and update - please print

PLEASE DUPLICATE THIS FORM FOR FUTURE TRANSFERS

BY FAX: 608-245-3623
BY MAIL: FASC
PO Box 7038
Madison, WI 53707-7038
SUPPORT: 1-800-622-6661

Client ID# <Client> <Company>
Participant ID# <PIN>

HSA Transfer Request Transfer Amount

To the best of my knowledge and belief, my statements in this transfer request are complete and true. I am requesting a transfer from my Health Savings Account to my Personal Account for HSA-eligible expenses incurred during the applicable Plan Year and for eligible Plan Participants. The Direct Deposit information for my Personal Account has been previously supplied to FlexSystem. I certify that these expenses have not previously been reimbursed under this or any other benefit Plan.

Employee Signature (required) Date

TRANSFER TIPS - To ensure prompt and accurate transfers

- This transfer form is for the reimbursement of eligible expenses under the Health Savings Account only.
- FSA or other benefit reimbursement requests submitted using this form will not be processed and will be discarded.
- Enter the amount requested for the transfer in the Transfer Amount box. One transfer form can be used for multiple expenses.
- Your signature is required on each Transfer Request Form.
- Incomplete Transfer Requests will delay processing.
- Please duplicate this form for future transfers.

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FlexSystem processes most Reimbursement Requests within 48 hours of receipt. There must be sufficient funds in the account for the full reimbursement request to be processed. If funds in the account are insufficient, only the balance in that particular account will be issued. The outstanding balance of the reimbursement request will remain as an open item until additional deposits are received, at which time an additional reimbursement will be initiated.

Substantiating your Reimbursement Requests

Each individual (Account Holder) should make sure that contributions to the HSA do not exceed the maximum limits. In addition, Participants (Account Holder) are expected to make sure that their withdrawals are for qualified medical expenses only, and as such that they meet tax deductibility requirements. These expenses are defined in Section 213(d) of the Internal Revenue Code.

Change of Payroll Contribution Elections

You may change your payroll contribution elections during the Plan Year. Just notify your employer of the

change that you wish to make to your election and they will adjust your HSA contribution amount. In addition, each Plan year anniversary provides you the opportunity to change elections when re-enrolling for the next year.

Tracking Account Balances

Track your account balances on the web (at www.accesstasc.com). You will need your Client ID, Participant ID, and PIN assigned by FlexSystem to access your account on the website. In addition you may access your account information using M&I Bank FSB On-line Banking. Go to mibank.com to access the on-line banking tool.

Plan Year End

Near the end of the Plan Year you will have the opportunity to re-enroll in FlexSystem and to select the Health Savings Account benefit. Your employer may change Plan parameters at this time as well. During the three months following the end of the Plan Year - called the transitional period - you may continue to submit Account Transfer Requests for expenses incurred in the previous Plan Year. The Plan Year is officially closed three months following the end of the Plan Year, or sooner if directed by your employer. Once closed, unused funds are returned to your employer.

HSA Coordination with a Flexible Spending Account

Only under certain circumstances may an employee establish and fund an HSA in addition to funding a limited purpose health flexible spending account. Both accounts may be funded as long as the benefits being reimbursed through the limited purpose health FSA are limited to benefits or costs not covered by the High Deductible Health Plan (HDHP) itself. For example, if the HDHP does not cover dental or vision expenses, the medical FSA may be established to reimburse only these expenses. Any expenses that would go towards the health insurance deductible must be paid for using the HSA first. If the insurance deductible is met, then expenses can be reimbursed through the limited purpose health FSA.