

PROPOSAL PREPARED FOR

State of Arkansas

RFP No. SP-18-0099
Flexible Spending Accounts/
Health Savings Accounts/
Cafeteria Plan, and COBRA
Services

TECHNICAL RESPONSE

Submittal Date: April 4, 2018 2:00 p.m. CST

SUBMITTED TO:

State of Arkansas
Office of State Procurement
Angela Allman
1509 West 7th Street, Room 300
Little Rock, AR 72201-4222
p | 501.371.6156



PREPARED BY:

Stuart Bowie
Regional Vice President
o | 608.316.2656
e | Stuart.Bowie@tasconline.com

Table of Contents

Proposal Signature Page.....	3
Conflict of Interest Affidavit.....	4
Proposed Subcontractors Form	5
Signed Addenda	6
EO 98-04 Disclosure Form – Contract Grant & Disclosure Form	7
TASC Equal Opportunity Policy	8
Voluntary Product Accessibility Template (VPAT)	9
Technical Proposal Response.....	10
E.1 Vendor Qualifications and Corporate Structure.....	10
Project Understanding	14
E.2 Implementation.....	21
E.3 ARCAP and HSA Administration.....	30
E.4 COBRA Administration	35
E.5 Administration System.....	36
E.6 Customer Service	42
E.7 Education and Enrollment Services.....	46
E.8 Claims Administration.....	55
E.9 Key Personnel and Staffing.....	63
E.10 Payroll Processing and Documentation Submission	69
E.11 Reporting	70
E.12 Compliance, Privacy and Security.....	74
E.13 Debit Card	79
Exhibits.....	101
Exhibit A – TASC Org Chart.....	101
Exhibit B - TASC Audited Financial Statements (CONFIDENTIAL)	106
Exhibit C – TASC Screenshots.....	110
Exhibit D – Non-Discrimination Testing Forms	115
Exhibit E – TASC Capital Connection Collateral.....	122
Exhibit F – TASC IT Audit	128
Exhibit G – TASC Flowcharts	178
Exhibit H – TASC Card Image	183

Proposal Signature Page

(Remainder of Page Left Intentionally Blank)

PROPOSAL SIGNATURE PAGE

Type or Print the following information.

PROSPECTIVE CONTRACTOR'S INFORMATION			
Company:	Total Administrative Services Corporation (TASC)		
Address:	2302 International Lane		
City:	Madison	State:	WI Zip Code: 53704
Business Designation:	<input type="checkbox"/> Individual <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Public Service Corp <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Nonprofit		
Minority Designation: <small>See Minority Business Policy</small>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> African American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Pacific Islander American <input type="checkbox"/> American Indian <input type="checkbox"/> Asian American <input type="checkbox"/> Service Disabled Veteran		
	AR Minority Certification #: _____ Service Disabled Veteran Certification #: _____		
PROSPECTIVE CONTRACTOR CONTACT INFORMATION			
Provide contact information to be used for bid solicitation related matters.			
Contact Person:	Stuart Bowie	Title:	Regional VP Large Markets
Phone:	1.800.422.4661 Ext. 2656	Alternate Phone:	214.274.1626
Email:	Stuart.Bowie@tasconline.com		
CONFIRMATION OF REDACTED COPY			
<input checked="" type="checkbox"/> YES, a redacted copy of submission documents is enclosed. <input type="checkbox"/> NO, a redacted copy of submission documents is <u>not</u> enclosed. I understand a full copy of non-redacted submission documents will be released if requested. <i>Note: If a redacted copy of the submission documents is not provided with Prospective Contractor's response packet, and neither box is checked, a copy of the non-redacted documents, with the exception of financial data (other than pricing), will be released in response to any request made under the Arkansas Freedom of Information Act (FOIA). See Bid Solicitation for additional information.</i>			
ILLEGAL IMMIGRANT CONFIRMATION			
By signing and submitting a response to this <i>Bid Solicitation</i> , a Prospective Contractor agrees and certifies that they do not employ illegal immigrants. If selected, the Prospective Contractor certifies that they will not employ illegal immigrants during the aggregate term of a contract.			
ISRAEL BOYCOTT RESTRICTION CONFIRMATION			
By checking the box below, a Prospective Contractor agrees and certifies that they do not boycott Israel, and if selected, will not boycott Israel during the aggregate term of the contract. <input type="checkbox"/> Prospective Contractor does not and will not boycott Israel.			

An official authorized to bind the Prospective Contractor to a resultant contract shall sign below.

The signature below signifies agreement that any exception that conflicts with a Requirement of this *Bid Solicitation* will cause the Prospective Contractor's proposal to be disqualified.

Authorized Signature: Nishameyker
Use Ink Only.

Title: EVP Large Markets & Sales Operations

Printed/Typed Name: Nisha Weyker

Date: April 2, 2018

Conflict of Interest Affidavit

(Remainder of Page Left Intentionally Blank)

CONFLICT OF INTEREST AFFIDAVIT

- This *Conflict of Interest Affidavit* is for the Prospective Contractor's disclosure of any actual and/or potential conflict(s) of interest, litigation (criminal or civil), and/or bankruptcy petition(s) as described and required in the RFP, Section 2.24.
- Per Section 2.24 of the RFP, this *Conflict of Interest Affidavit* will not be scored as part of the RFP evaluation. However, submission of this signed *Conflict of Interest Affidavit* along with the required disclosures if any, as stated in the RFP Section 2.24 is a Proposal Submission Requirement.
- Do not include additional information if not pertinent to the itemized request.
- Should the Prospective Contractor have any actual and/or potential conflict(s) of interest, litigation (criminal or civil), and/or bankruptcy petition(s) disclosures to make, the Prospective Contractor **shall** submit an additional document, as an attachment to this *Conflict of Interest Affidavit*, explaining the actual and/or potential conflict(s) of interest, litigation (criminal or civil), and/or bankruptcy petition(s).
- The Prospective Contractor **shall** include all information necessary to fully communicate the nature of the actual and/or potential conflict(s) of interest, litigation (criminal or civil), and/or bankruptcy petition(s) including proposed mitigation measures.

Check the appropriate box below:



Per Section 2.24 of the RFP, my company does not have any actual and/or potential conflict(s) of interest, litigation (criminal or civil), and/or bankruptcy petition(s) to disclose at this time.



See the attachment to this *Conflict of Interest Affidavit* disclosing my company's actual and/or potential conflict(s) of interest, litigation (criminal or civil), and/or bankruptcy petition(s).

By signature below, the Prospective Contractor certifies that it meets the disclosure requirements as stated in Section 2.24 of the RFP to the best of its knowledge, and **shall** continue to meet disclosure requirements as stated in Section 2.24 of the RFP throughout the life of the contract.

Authorized Signature: _____

Use Ink Only.

Nisha Weyker

Printed/Typed Name: Nisha Weyker

Date: April 2, 2018

Proposed Subcontractors Form

(Remainder of Page Left Intentionally Blank)

PROPOSED SUBCONTRACTORS FORM

- Do not include additional information relating to subcontractors on this form or as an attachment to this form.

PROSPECTIVE CONTRACTOR PROPOSES TO USE THE FOLLOWING SUBCONTRACTOR(S) TO PROVIDE SERVICES.*Type or Print the following information*

Subcontractor's Company Name	Street Address	City, State, ZIP
WEX Health	82 Hopmeadow Street	Simsbury, CT 06089

☐ **PROSPECTIVE CONTRACTOR DOES NOT PROPOSE TO USE SUBCONTRACTORS TO PERFORM SERVICES.**

Signed Addenda

(Remainder of Page Left Intentionally Blank)



STATE OF ARKANSAS
OFFICE OF STATE PROCUREMENT
 1509 West 7th Street, Room 300
 Little Rock, Arkansas 72201-4222

ADDENDUM 1

TO: Vendors Addressed
 FROM: Angela Allman, Buyer
 DATE: March 7, 2018
 SUBJECT: SP-18-0099 Flexible Spending Accounts, Health Savings Accounts, Cafeteria Plan, and COBRA Services

The following change(s) to the above-referenced RFP have been made as designated below:

- ☐ Change of specification(s)
- ☐ Additional specification(s)
- ☐ Change of bid opening time and date
- ☐ Cancellation of bid
- ☒ Other

REPLACEMENT PRICE SHEET

- Delete the Official Bid Price Sheet and replace with the Revised Official Price Sheet dated 3/7/2018.

The specifications by virtue of this addendum become a permanent addition to the above referenced RFP. Failure to return this signed addendum may result in rejection of your proposal.

If you have any questions please contact Angela Allman at angela.allman@dfa.arkansas.gov or (501) 371-6156.

Company: Total Administrative Services Corporation (TASC)

Signature: Nishanaykur

Date: April 2, 2018



STATE OF ARKANSAS
OFFICE OF STATE PROCUREMENT
 1509 West 7th Street, Room 300
 Little Rock, Arkansas 72201-4222

ADDENDUM 2

TO: Vendors Addressed
 FROM: Angela Allman, Procurement Official
 DATE: March 20, 2018
 SUBJECT: SP-18-0099 Flexible Spending Accounts, Health Savings Accounts, Cafeteria Plan, and COBRA Services

The following change(s) to the above-referenced RFP have been made as designated below:

- ☒ Change of specification(s)
- ☒ Additional specification(s)
- ☐ Change of bid opening time and date
- ☐ Cancellation of bid
- ☒ Other – Replace Official Bid Price Sheet

ADDITIONAL SPECIFICATIONS

- Add the following to Section 2.2 *Background and Current Environment*:
 - O. For the last twelve (12) month period, the average employee turnover rate for ASE and PSE was 15.71%.
 - P. Currently, the State of Arkansas pays the administration and management fees for the ARCap, HSA, and COBRA Programs except for those administration and management fees specified in 2.9.I. This is not anticipated to change throughout the life of the resultant contract.
 - Q. Current average balance for FSA is \$1,075.10.
 - R. For the last twelve (12) month period, the average HSA contribution amount by an ASE Member and PSE Member was \$1,767.00 and \$2,401.00 respectively.
 - S. Currently, 486 ASE Members provide no contribution amounts to their HSAs. The number of PSE Members providing no contribution to their HSAs is not available.
 - T. For the last twelve (12) month period, approximately 1% of HSA dollars were invested.
- Add the following to Section 2.5 *General Program Requirements* Item D:
 - 1. EBD anticipates working closely with the Contractor during all phases of implementation. However, EBD reserves the right to have the final determination and approval regarding enrollment information and the method of enrollment.
- Add the following to Section 4.1 *Payment and Invoice Provisions* Item H:
 - 1. For each separate monthly invoice, the Contractor **shall** provide a line item detail showing the amount invoiced applicable to COBRA Members, the amount invoiced applicable to FSA Members, and the amount invoiced applicable to HSA Members.

CHANGE OF SPECIFICATIONS

- Delete Section 1.26 and replace with the following:
The Prospective Contractor's solution **must** comply with the State's shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <http://www.dis.arkansas.gov/policies-standards>. Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.
- Delete from 2.5 General Program Requirements Item M and replace with the following:
M. The Contractor **shall** routinely review (e.g during weekly/monthly meetings) the overall effectiveness of the Program(s). Based on such a review, the Contractor **shall** provide EBD with consultation and recommendations which may include, but not be limited to, such topics as any administrative adjustments that may be needed, changes to Plan and/or Program design that may result in increased participation in HDHPs, HSAs, and FSAs, and other relevant consultations and recommendations.
- Delete from Section 2.12 Eligibility and Testing Item A and replace with the following:
A. The Contractor **shall** utilize HSA Eligibility and Nondiscrimination testing processes as required by applicable federal law(s).
- Delete from Section 2.16 Claims Processing and Payments Item D – No replacement
- Delete from Section 2.16 Claims Processing and Payments Item E and replace with the following:
E. The Contractor **shall** correctly pay all claims and **shall** correctly issue claims payments to Members via check or direct deposit as elected by the Member.
- Delete from Section 2.21 Compliance, Privacy, and Security Requirements, Item B and replace with:
B. Any of the Contractor's employees or representatives accessing EBD's task system or any of the State of Arkansas's employee's, Plan Participant's, or Member's PHI (Protected Health Information) **shall** complete and sign EBD's System Confidentiality Agreement at EBD's request which may be prior to the start of the Implementation Period, or prior to accessing any employee, Plan Participant or Member information. EBD's sample System Confidentiality Agreement is posted as Attachment C to this RFP.

REPLACEMENT PRICE SHEET

- Delete the Revised Official Bid Price Sheet dated 3/7/18 and replace with the Revised Official Price Sheet dated 3/20/2018.

The specifications by virtue of this addendum become a permanent addition to the above referenced RFP. Failure to return this signed addendum may result in rejection of your proposal.

If you have any questions please contact Angela Allman at angela.allman@dfa.arkansas.gov or (501) 371-6156.

Company: TASC
Signature: Nishanaykur
Date: April 2, 2018

EO 98-04 Disclosure Form – Contract Grant & Disclosure Form

(Remainder of Page Left Intentionally Blank)

CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM

Failure to complete all of the following information may result in a delay in obtaining a contract, lease, purchase agreement, or grant award with any Arkansas State Agency.

SUBCONTRACTOR:

SUBCONTRACTOR NAME:

☐ Yes ☒ No

TASC

IS THIS FOR:

TAXPAYER ID NAME: Total Administrative Services Corp (TASC) ☐ Goods? ☒ Services? ☐ Both?

YOUR LAST NAME: Weyker

FIRST NAME: Nisha

M.I.:

ADDRESS: 2302 International Lane

CITY: Madison

STATE: WI

ZIP CODE: 53704

COUNTRY: USA

AS A CONDITION OF OBTAINING, EXTENDING, AMENDING, OR RENEWING A CONTRACT, LEASE, PURCHASE AGREEMENT, OR GRANT AWARD WITH ANY ARKANSAS STATE AGENCY, THE FOLLOWING INFORMATION MUST BE DISCLOSED:

FOR INDIVIDUALS *

Indicate below if: you, your spouse or the brother, sister, parent, or child of you or your spouse is a current or former: member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee:

Position Held	Mark (✓)		Name of Position of Job Held [senator, representative, name of board/ commission, data entry, etc.]	For How Long?		What is the person(s) name and how are they related to you? [i.e., Jane Q. Public, spouse, John Q. Public, Jr., child, etc.]	
	Current	Former		From MM/YY	To MM/YY	Person's Name(s)	Relation
General Assembly							
Constitutional Officer							
State Board or Commission Member							
State Employee							

☒ None of the above applies

FOR AN ENTITY (BUSINESS) *

Indicate below if any of the following persons, current or former, hold any position of control or hold any ownership interest of 10% or greater in the entity: member of the General Assembly, Constitutional Officer, State Board or Commission Member, State Employee, or the spouse, brother, sister, parent, or child of a member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee. Position of control means the power to direct the purchasing policies or influence the management of the entity.

Position Held	Mark (✓)		Name of Position of Job Held [senator, representative, name of board/commission, data entry, etc.]	For How Long?		What is the person(s) name and what is his/her % of ownership interest and/or what is his/her position of control?		
	Current	Former		From MM/YY	To MM/YY	Person's Name(s)	Ownership Interest (%)	Position of Control
General Assembly								
Constitutional Officer								
State Board or Commission Member								
State Employee								

☒ None of the above applies

Contract and Grant Disclosure and Certification Form

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

As an additional condition of obtaining, extending, amending, or renewing a contract with a state agency I agree as follows:

1. Prior to entering into any agreement with any subcontractor, prior or subsequent to the contract date, I will require the subcontractor to complete a **CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM**. Subcontractor shall mean any person or entity with whom I enter an agreement whereby I assign or otherwise delegate to the person or entity, for consideration, all, or any part, of the performance required of me under the terms of my contract with the state agency.

2. I will include the following language as a part of any agreement with a subcontractor:

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the contractor.

3. No later than ten (10) days after entering into any agreement with a subcontractor, whether prior or subsequent to the contract date, I will mail a copy of the **CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM** completed by the subcontractor and a statement containing the dollar amount of the subcontract to the state agency.

I certify under penalty of perjury, to the best of my knowledge and belief, all of the above information is true and correct and that I agree to the subcontractor disclosure conditions stated herein.

Signature Nishamcyur Title EVP Large Markets & Sales Operations Date 04/02/2018

Vendor Contact Person Stuart Bowie Title RVP Large Markets Phone No. 800.422.4661

Agency use only

Agency Number _____ Agency Name _____ Agency Contact Person _____ Contact Phone No. _____ Contract or Grant No. _____

TASC Equal Opportunity Policy

(Remainder of Page Left Intentionally Blank)



TASC Equal Opportunity Policy

Equal Opportunity Employment

At TASC, our success depends on our ability to use the skills and talents of all employees TASC reaffirms its commitment to provide and maintain a work environment that promotes equal opportunity for all of its employees and applicants for employment without regard to race, color, religion, sex, national origin, age, disability, genetic information, sexual orientation, political affiliation, marital status, parental status, or retaliation for participating in equal employment opportunity activity. Therefore, in accordance with Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination Act, as amended; the Rehabilitation Act of 1973, as amended, the Genetic Information Nondiscrimination Act of 2008, and all other relevant laws, regulations, and agency policies, it is the policy and intent of the Commission to prohibit discrimination in the terms, conditions, and privileges of employment.

This policy statement covers all personnel and employment policies and procedures and management practices and decisions, including, but not limited to, recruitment/hiring, merit promotion, transfer, reassignments, training and career development, and benefits. Such a policy ensures that only relevant factors are considered and that equitable and consistent standards of conduct and performance are applied. TASC expects all employees, supervisors, managers, and senior leadership to commit and adhere to sharing the responsibility of maintaining a work environment that is free of discrimination, retaliation, and harassment.

As an employee of TASC, if you observe any violation or apparent violation of this policy, you are encouraged to discuss your concerns with the Human Resources Department.

Americans with Disabilities Act (ADA)

The Americans with Disabilities Act (ADA) provides civil rights protection to individuals with disabilities much as it provides such protection to individuals on the basis of race, sex, national origin, and religion. In accordance with the ADA, TASC strives to comply fully with all applicable laws prohibiting discrimination on the basis of disability. TASC will make reasonable accommodations in policies, practices, or procedures when modifications are necessary to avoid discrimination on the basis of disability.

Disability is defined as a physical or mental impairment that substantially limits one or more of an individual's major life activities; a record of such impairment; or being regarded as having such an impairment.

Under the ADA, TASC is not required to anticipate or predict accommodations that may be necessary. Affected employees must request, in writing, accommodations where necessary.

Voluntary Product Accessibility Template (VPAT)

(Remainder of Page Left Intentionally Blank)



Voluntary Product Accessibility Template (VPAT)

Date: April 2, 2018

Product Name: FSA and HSA Administration

Product Version Number: _____

Vendor Company Name: Total Administrative Services Corporation (TASC)

Vendor Contact Name: Nisha Weyker

Vendor Contact Telephone: 608-237-4946

APPENDIX A: Suggested Language Guide

Summary Table
Voluntary Product Accessibility Template

Criteria	Level of Support & Supporting Features	Re marks and explanations
Section 1194.21 Software Applications and Operating Systems	Participant and Employer Portal	
Section 1194.22 Web-based Internet Information and Applications	Participant and Employer Portal	
Section 1194.23 Telecommunications Products	N/A	
Section 1194.24 Video and Multi-media Products	N/A	
Section 1194.25 Self-Contained, Closed Products	N/A	
Section 1194.26 Desktop and Portable Computers	N/A	
Section 1194.31 Functional Performance Criteria	N/A	
Section 1194.41 Information, Documentation and Support	Participant and Employer Portal	

Section 1194.21 Software Applications and Operating Systems - Detail



Voluntary Product Accessibility Template

Criteria	Level of Support & Supporting Features	Remarks and explanations
<p>(a) When software is designed to run on a system that has a keyboard, product functions shall be executable from a keyboard where the function itself or the result of performing a function can be discerned textually.</p>	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
<p>(b) Applications shall not disrupt or disable activated features of other products that are identified as accessibility features, where those features are developed and documented according to industry standards. Applications also shall not disrupt or disable activated features of any operating system that are identified as accessibility features where the application programming interface for those accessibility features has been documented by the manufacturer of the operating system and is available to the product developer.</p>	Participant and Employer Portals	The portals' design have features in place to fully meet this criteria.
<p>(c) A well -defined on -screen indication of the current focus shall be provided that moves among interactive interface elements as the input focus changes. The focus shall be programmatically exposed so that Assistive Technology can track focus and focus changes.</p>	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
<p>(d) Sufficient information about a user interface element including the identity, operation and state of the element shall be available to Assistive Technology. When an image represents a program element, the information conveyed by the image must also be available in text.</p>	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.

(e) When bitmap images are used to identify controls, status indicators, or other programmatic elements, the meaning assigned to those images shall be consistent throughout an application's performance.	Participant and Employer Portals	The portals have configuration management features in place to fully meet this criteria.
(f) Textual information shall be provided through operating system functions for displaying text. The minimum information that shall be made available is text content, text input caret location, and text attributes.	Participant and Employer Portals	The portals have configuration management features in place to fully meet this criteria.
(g) Applications shall not override user selected contrast and color selections and other individual display attributes.	Participant and Employer Portals	The portals have configuration management features in place to fully meet this criteria.
(h) When animation is displayed, the information shall be displayable in at least one non-animated presentation mode at the option of the user.	Participant and Employer Portals	The portals have configuration management features in place to fully meet this criteria.
(i) Color coding shall not be used as the only means of conveying information, indicating an action, prompting a response, or distinguishing a visual element.	Participant and Employer Portals	The portals have configuration management features in place to fully meet this criteria.
(j) When a product permits a user to adjust color and contrast settings, a variety of color selections capable of producing a range of contrast levels shall be provided.	Participant and Employer Portals	The portals have configuration design features in place to fully meet this criteria.
(k) Software shall not use flashing or blinking text, objects, or other elements having a flash or blink frequency greater than 2 Hz and lower than 55 Hz.	Participant and Employer Portals	The portals have configuration design features in place to fully meet this criteria. We meet Federal standards.
(l) When electronic forms are used, the form shall allow people using Assistive Technology to access the information, field elements, and functionality required for completion and submission of the form, including all directions and cues.	Participant and Employer Portals	The portals have configuration design features in place to fully meet this criteria.

Section 1194.22 Web-based Intranet and Internet information and Applications - Detail

Voluntary Product Accessibility Template

Criteria	Level of Support & Supporting Features	Remarks and explanations
(a) A text equivalent for every non-text element shall be provided (e.g., via "alt", "longdesc", or in element content).	Participant and Employer Portals	The portals have design features in place to fully meet this criteria
(b) Equivalent alternatives for any multimedia presentation shall be synchronized with the presentation.	Not applicable to Participant or Employer Portals	Multimedia presentations are not used.
(c) Web pages shall be designed so that all information conveyed with color is also available without color, for example from context or markup.	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
(d) Documents shall be organized so they are readable without requiring an associated style sheet.	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
(e) Redundant text links shall be provided for each active region of a server-side image map.	Not applicable to Participant and Employer Portals	Server-side image maps are not used.
(f) Client-side image maps shall be provided instead of server-side image maps except where the regions cannot be defined with an available geometric shape.	Not applicable to Participant and Employer Portals	Client-side image maps are not used
(g) Row and column headers shall be identified for data tables.	Participant and Employer Portals 	Partially supported by Consumer Portal and fully supported by 
(h) Markup shall be used to associate data cells and header cells for data tables that have two or more logical levels of row or column headers.	Not applicable to Participant and Employer Portals	Maximum of one logical level of row/column headers
(i) Frames shall be titled with text that facilitates frame identification and navigation	Not applicable to Participant and Employer Portals	Frames are not used.

(j) Pages shall be designed to avoid causing the screen to flicker with a frequency greater than 2 Hz and lower than 55 Hz.	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
(k) A text -only page, with equivalent information or functionality, shall be provided to make a web site comply with the provisions of this part, when compliance cannot be accomplished in any other way. The content of the text-only page shall be updated whenever the primary page changes.	Not applicable to Participant and Employer Portals	Compliance is achieved through other methods.
(l) When pages utilize scripting languages to display content, or to create interface elements, the information provided by the script shall be identified with functional text that can be read by Assistive Technology.	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
(m) When a web page requires that an applet, plug-in or other application be present on the client system to interpret page content, the page must provide a link to a plug-in or applet that complies with 1194.21(a) through (l).	Not applicable to Participant and Employer Portals	No applets or plug-ins are used.
(n) When electronic forms are designed to be completed on-line, the form shall allow people using Assistive Technology to access the information, field elements, and functionality required for completion and submission of the form, including all directions and cues.	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
(o) A method shall be provided that permits users to skip repetitive navigation links.	Participant and Employer Portals	The portals have design features in place to fully meet this criteria.
(p) When a timed response is required, the user shall be alerted and given sufficient time to indicate more time is required.	Not applicable to Participant and Employer Portals	No timed responses are used.

(f) At least one mode of operation and information retrieval that does not require fine motor control or simultaneous actions and that is operable with limited reach and strength shall be provided.		
---	--	--

Section 1194.41 Information, Documentation and Support - Detail Voluntary Product Accessibility Template

Criteria	Level of Support & Supporting Features	Remarks and explanations
(a) Product support documentation provided to end-users shall be made available in alternate formats upon request, at no additional charge	Participant and Employer Portals	Controls are in place to fully meet this criteria.
(b) End -users shall have access to a description of the accessibility and compatibility features of products in alternate formats or alternate methods upon request, at no additional charge.	Participant and Employer Portals	Controls are in place to fully meet this criteria.
(c) Support services for products shall accommodate the communication needs of end-users with disabilities.	Participant and Employer Portals	Controls are in place to fully meet this criteria.

APPENDIX A (of the DoS VPAT/GPAT Checklist)

Suggested Language for Filling out the VPAT/GPAT

In order to simplify the task of conducting market research assessments for procurement officials or customers, ITIC (Information Technology Industry Council) has developed suggested language for use when filling out a VPAT/GPAT. You may choose to employ all or some of the language below. Once you determine what language you intend to use, we recommend that use is consistent throughout all of your VPAT/GPATs.

Supporting Features (Column 2 on VPAT/GPAT)

Supports

Use this language when you determine the product fully meets the letter and intent of the Criteria.

Partially Supports or Supports with Exceptions

Use this language when you determine the product does not fully meet the letter and intent of the Criteria, but provides some level of access relative to the Criteria.

Supports through Equivalent Facilitation

Use this language when the product instead uses a different but equivalent or better means of meeting the EIT accessibility Criteria.

Supports when combined with Compatible AT

Use this language when you determine the product fully meets the letter and intent of the Criteria when used in combination with Compatible AT. For example, many software programs can provide speech output when combined with a compatible screen reader (commonly used assistive technology for people who are blind).

Does not Support

Use this language when you determine the product does not meet the letter or intent of the Criteria.

Not Applicable

Use this language when you determine that the Criteria do not apply to the specific product.

Not Applicable - Fundamental Alteration Exception Applies

Use this language when you determine a Fundamental Alteration of the product would be required to meet the Criteria (see the access board standards for the definition of "fundamental alteration").

IMPACT Outreach Center

IRM Program for Accessible Computer/Communication Technology

(IMPACT) 2025 E Street, N.W. (SA-9), Office NE4026

Washington, DC 20006

Email: SECTION508@state.gov

Voice: (202) 634-0315

Internet: <http://www.state.gov/>

Intranet: <http://impact.state.gov>

Technical Proposal Response

E.1 Vendor Qualifications and Corporate Structure

A. Provide a statement of differentiation that distinguishes the products and services your company provides from other companies providing the same or similar services and provide the following information:

TASC is the largest privately held Third Party Administrator (“TPA”) with over 40 years of experience in the benefits administration and compliance services industry. TASC takes pride in creating a unique and customized experience for our large clients like Employee Benefits Division (EBD) and its Participants. TASC provides innovative and intuitive advantages and points of differentiation:

Service Excellence – Above all, TASC is focused on the people we do business with. With a Midwestern call center, you can count on **polite, friendly and knowledgeable** representatives answering the phones at TASC. In fact, during our most recent quarterly satisfaction survey **95%** of respondents were satisfied or very satisfied with the **courtesy and professionalism** of the TASC employee they interacted with.

Increased Utilization – The most frequently overlooked measure of program successes is employee utilization. TASC’s approach to employee engagement is proven to increase utilization. After switching to TASC, one State Government Client experienced a **31% increase in participation** and a **40% increase in contributions** in year one. Another large Education Sector Client (Big 10 University) implemented a targeted campaign to increase participation during their 2017 open enrollment which resulted in over **600 new participants**.

Public Sector Excellence – Public Sector entities are unique and face challenges that demand an experienced partner. In Florida, TASC has proven excellence in both attracting and retaining very large clients including Miami-Dade County Public Schools and 5 of the 10 largest public school systems in Florida. With over 2,200 public sector clients nationwide including the U.S. Federal Government, State of Wisconsin, multiple Big 10 Universities, and a Pac-12 University TASC’s experience speaks for itself.

Large Client Implementations – Migrating or creating a program of this size and scope is no easy feat. That’s why you need trust your chosen partner is up to the task. With our detailed implementation project plan, subject matter experts and outstanding implementation project managers TASC brings the experience essential to ensure this projects success. In the recent past TASC has implemented new or transitioned similar programs as highlighted below:

- Public Sector (Federal Government – Office of Personnel Management (OPM)) – 2,800,000 eligible employees
- Public Sector (State Government) – 570,000 eligible employees
- Public Sector Education (4th largest School District in US) – 50,000 eligible employees
- Public Sector Education (Big 10 University) – 27,000 eligible employees
- Public Sector Education (Pac 12 University) – 20,000 eligible employees

Industry Leadership - TASC creates award-winning offerings people need and trust, and introduces popular, common-sense features that set a new bar for the market. TASC was either first

or among the first to market with many features that are now considered industry staples, including debit cards for benefit accounts, an online cash transaction manager, a mobile application, and a text messaging service.

Technology and Innovation – TASC is a trailblazer, continually researching and developing new technologies, communications strategies and challenging the way things have always been done. Whether its partnering with a large client in the midst of developing their own HRIS platform or staying on the forefront of Participant technology TASC believes our technology department is a vital component of our offering.

1. Corporate Structure and Ownership including an organizational chart

TASC Org charts are **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

Organized as a Subchapter-S corporation celebrating over 40 years of operation, TASC remains a privately-held company with all ownership controlled by our CEO, Daniel Rashke.

Organizational chart has been provided as [Exhibit A – TASC Org Chart](#).

2. Number of years your company has been providing services required in the RFP

TASC has over 40 years of benefit administration experience including 33 years of FSA administration, 17 years of COBRA administration and 15 years of HSA administration.

3. Location of Corporate Office

Total Administrative Services Corporation (TASC)
2302 International Lane
Madison, WI 53704

4. Locations of all Sales/Support Offices specifying which office will be responsible for working with EBD

While TASC is headquartered in Madison, Wisconsin, we are proud to have a national presence to support our clients with operations and sales teams throughout the US. TASC's proposed Relationship Manager, Amanda Odom resides in Batesville, AR and TASC's Regional Sales Director Ed Green is located in Little Rock, AR.

The primary contact for EBD will be Stuart Bowie, TASC Regional Vice President, Large Market, who is located in North Texas.

5. Information regarding professional/industry association memberships

TASC currently has memberships with Society for Human Resources Management, State and Local Government Benefits Association, National Association of College and University Business Officers, National Association of Health Underwriters and American Physical Therapy Association.

6. A statement expressing the percentage of your company's revenue that is derived from providing services similar to those required by the RFP

100% of TASC's revenue comes from providing employee benefits and compliance administration services.

7. Total dollar amount of all GPFSA, DCAP, LPFSA and HSA claims processed by your company in calendar year 2016

TASC processed over \$962,000,00 in GPFSA, DCAP, LPFSA and HSA claims in 2016.

8. Audited financial statements for the past three (3) years or other financial documentation that accurately reflects your company's financial condition. Submit in electronic format only.

TASC's financial statements for the past three (3) years are **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

Audited financial statements have been provided in electronic format, separately, as [Exhibit B – TASC Audited Financial Statements \(CONFIDENTIAL\)](#).

B. Provide an executive summary containing no more than three (3) pages detailing your company's understanding of the following:

- 1. The services to be provided under any resultant contract**
- 2. The Contractor's responsibilities under any resultant contract**
- 3. Other information relevant to the services described in the RFP and necessary to fully communicate your company's understanding of the services to be provided and the responsibilities of the Contractor**

Peace of Mind, Increased Participation, and Cost savings: this is what TASC delivers.

With TASC, you can have confidence that the requirements of the State of Arkansas and the Arkansas Department of Finance and Administration Employee Benefits Division (EBD) are fully met. TASC leverages a holistic approach to offer **cost-effective**, financially-feasible, and equitable benefit solutions that are proven to attract and retain valued employees, retirees and survivors while delivering superior quality, efficiency, and security.

Rest assured, TASC delivers what we promise and we will not surprise EBD or its Participants with hidden fees.

Since 2015, EBD has been forced to pay a staggering **\$874,000 in HSA account transfer fees** to multiple vendors. Unlike many other vendors, **TASC does not** hold Participant HSA accounts hostage by **charging hefty HSA account transfer fees**.

In fact, TASC **does not charge HSA account transfer fees** at all! This is cost savings that can be realized by the State of Arkansas as well as your employees!

Want to increase participation by 20-25%? Not a problem for TASC. Our customized education programs are proven to increase participation. For example, in 2017 a TASC spearheaded a targeted email campaign at a Big-10 University which resulted in over **600 new participants**. Another TASC Client, a State Government, experienced a **31% increase in participation** and a **40% increase in contributions** in year one.

TASC has tailored its proposed program to be responsive to EBD specified evaluation criteria including:

- **No Hidden Fees**
- **Dedicated Account Management**
- Custom Implementation
- **Dedicated Communications & Marketing Liaison**
- Network Suitability
- Account Establishment & Administration
- Financial Accuracy
- Funding Options
- Go-Green Initiatives
- Mobile Application Access
- Administrative Capabilities and Quality
- Security Features and Audit Tracking
- **No HSA Account Transfer Fees**
- Improved Participant Communications
- **Increase Participation by 20-25%**
- Claims Processing and Support
- Benefit Card
- Participant Website and Tools
- Meetings & Conference Call Commitment
- Employer Website and Tools
- Data Interface
- Cost Management Capabilities
- Multi-year rate and fee guarantees
- Reporting Capabilities

TASC is partnering with EBD to provide **innovative, simple and compliant solutions** pursuant to your employee benefit needs. Our response, set forth in this RFP, demonstrates our experience and leverages our Lessons Learned with both large private and public sector clients, including but not limited to, state governments. TASC anticipates EBD's needs and will address the flexibility and scalability of each benefit component. For EBD, TASC has assembled a team of experts in benefit administration that will provide top-quality products and services, thorough implementation experience and an unparalleled employer and Participant experience. TASC's goal is to provide the quality services our Client's and their Participant's desire while reducing the administrative burden and costs associated with employee benefits administration.

Highlights of TASC's proposed solution include:

- Fastest known reimbursement time in the industry – 98.19% reimbursements in less than 24 hours
- Multiple options to **submit claims** including the Participant Portal, mail, and fax – mobile and picture to pay coming in 2019!
- **Daily claims processing**
- **Ability to customize** your Plan with multiple tier levels and varied percentage payouts
- **Reports** available in the secure Client Portal for virtually paper-free administration
- An approach to account management that ensures you always have adequate coverage
- An Executive Sponsor who promotes visibility for your account in the highest levels of TASC
- **Custom Employee Education Plan**

- **Dedicated Marketing and Communications Liaison**
- **A TASC Debit Card for Participants** (MasterCard®), available for First-Dollar Plans, to directly pay for eligible expenses rather than paying out-of-pocket and then submitting; 80%+ automatic adjudication
- **Compliance services** including a section 105 Summary Plan Description, Plan Document, Summary of Benefits and Coverage (SBC), 5500 Form preparation (if applicable), and Plan design consultation and review
- **EDI and/or Carrier integration** dependent upon carrier support
- **Money-back guarantee**
- Proven **first-call resolution** rates and response rates with a **right touch experience!**
- Competitive, all-inclusive pricing

Further, TASC has extensive experience working with Public Sector clients, state, federal and educational institutions like EBD with similar in size and scope. A few noteworthy examples include State of Wisconsin, The Ohio State University, OCPS, Office of Personnel Management - build out our experience!

Project Understanding

TASC understands that the State of Arkansas seeks to partner with a qualified benefits administrator for:

Arkansas State Employees:

a. Arkansas State Employees (ASE) Section 125 "Cafeteria Plan" (ARCap) which includes the following Benefit Package Options and Qualified Benefits available for pre-tax payments and/or contributions:

- General Purpose Flexible Spending Account (GPFSA)
- Limited Purpose Flexible Spending Account for Dental and Vision (LPFSA)
- Dependent Care Flexible Spending Account (DCAP)

b. COBRA Administration Services for GPFSA and LPFSA

Arkansas State Employees and Public School Employees (PSE):

a. Health Savings Account (HSA)

TASC recognizes the Arkansas State and Public School Life and Health Insurance Board has full policy-making authority for the Plans. TASC shall adjust services based on any changes the Board makes during the term(s) of the contract.

TASC's Program deliverables:

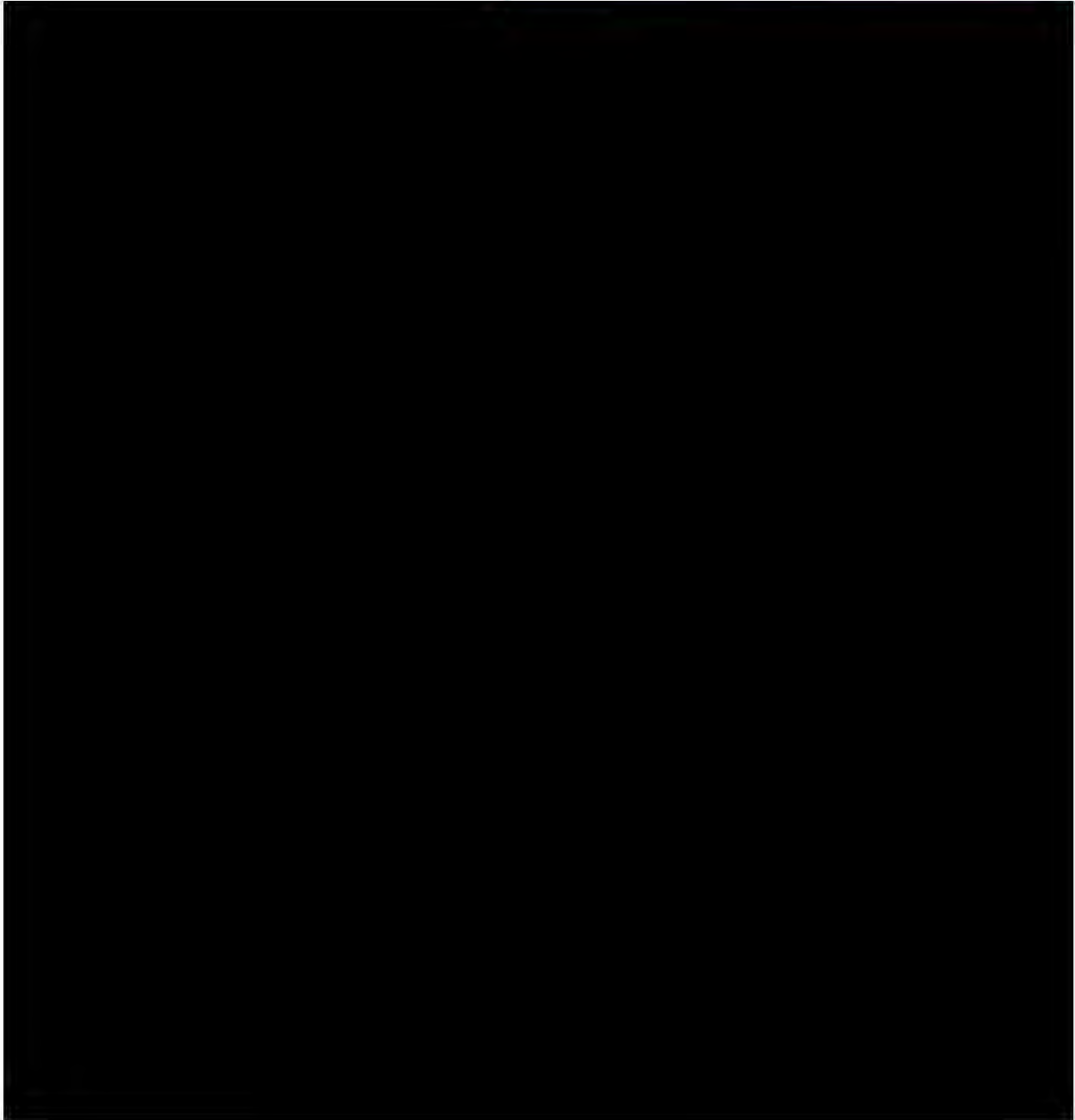
- Provide best-in-class service to Members
- Reduce EBD costs by delivering the best value for the services required in this RFP
- Improve communication with ASE and PSE Employees, Members, and Plan Participants resulting in well-informed consumers
- Increase program participation by 20-25% above current enrollment totals through customized EBD and participant materials, learning and other proven program enhancements
- State of Arkansas' Dedicated Account Management Team

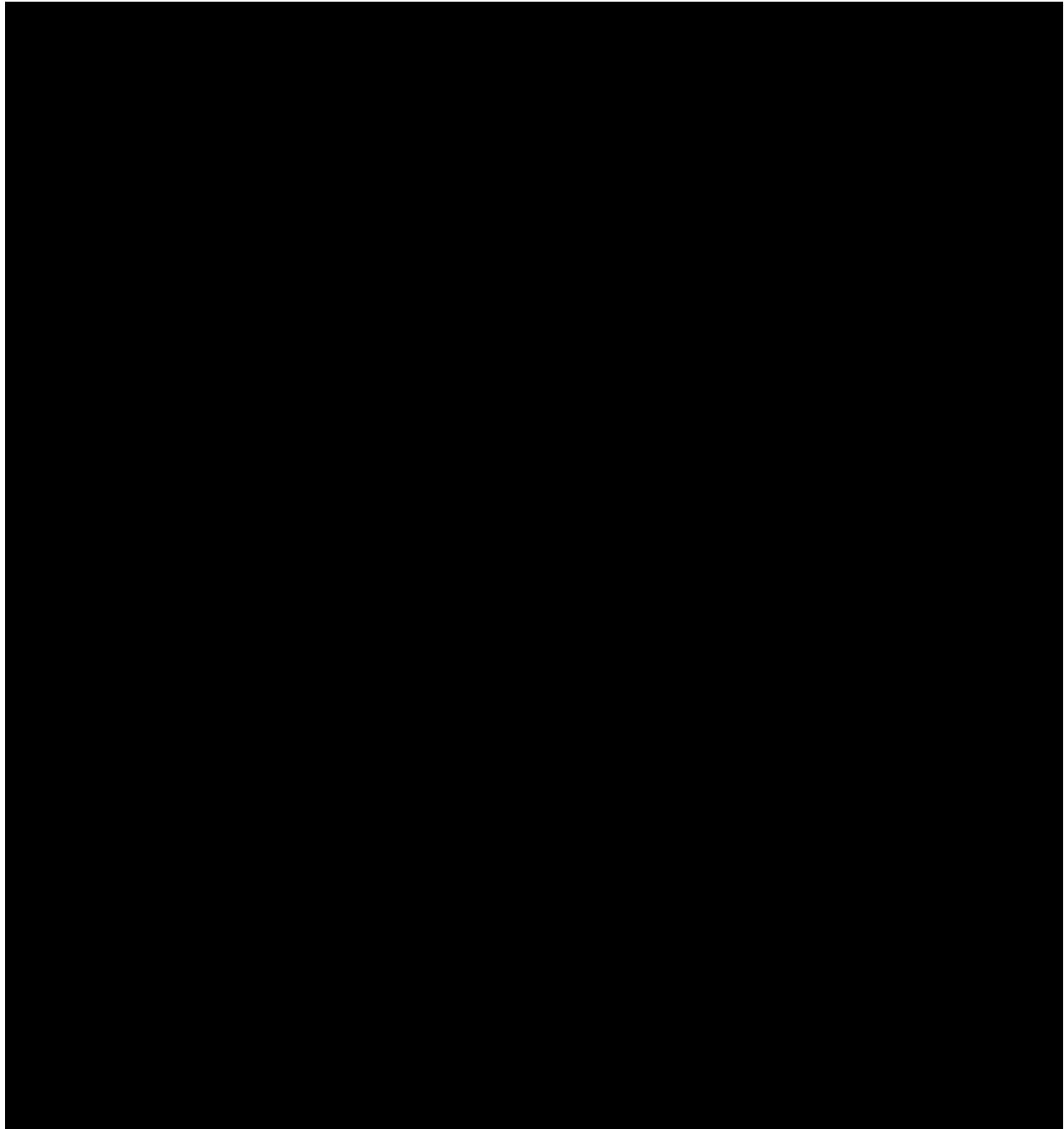
- Seamless Implementation, completed on-time, with minimal disruption to EBD's operations
 - **Implementation Project Plan** – TASC will work with EBD to develop, and manages a detailed Implementation Project Plan to manage all items and events related to implementing the Program.
- Fully compliant ARCap administration including:
 - Reimbursement via check, direct deposit or debit card
 - Processing of contributions and distributions
 - Full-service Customer service assistance
- Fully compliant HSA administrative services including:
 - Administration and Claims Processing
 - Reimbursement via check, direct deposit or debit card
 - Investment options
- COBRA Administration to ARCap Members who have separated employment and elected COBRA continuation
- Comprehensive and technical administration system capable of the full-service administration and management of the Programs including:
 - Single, secure, trusted link between the ARBenefits Member page and TASC's website for use by Members and Plan Participants
 - Member account information
 - Monthly account statements for HSA
 - Resolution of any usability concerns within two (2) business days
- Eligibility Testing
 - Eligibility and Testing as required by law
 - Non-discrimination testing
- Continuous, uninterrupted, toll-free customer service access Monday through Friday (excluding State Holidays) during the hours of 8:00 a.m. – 5:00 p.m. CST and shall return calls within one (1) Business Day for issues and questions requiring additional research.
- **Communication Plan** - TASC will work with EBD to design and produce education and enrollment materials such as e-learning, payroll stuffers, pre-enrollment newsletters, enrollment booklets, and/or other items as determined necessary by EBD, including outreach and education for all Members to learn about the Program is developed in partnership with EBD and TASC's dedicated Marketing and Communication Liaison.
- **Training** to EBD staff, State agency and public school HIRs, and other designated parties if requested by EBD during the Implementation Period and throughout the Plan Year.
- Proven Experience Delivering Success with Weekly teleconference meetings with Dedicated Account Manager, Monthly and/or Bi Monthly meetings with Executive Sponsor, Monthly and/or Quarterly Meetings with Client Account Executive. Onsite, if desired.
- Compliant and comprehensive Plan Document at least thirty (30) calendar days prior to the start of each Plan year
- Monthly, Quarterly and Annual Plan reporting reflecting the Program activity
- **Performance Metrics** – monthly reporting on TASC's performance in meeting the Performance Metrics.
- **Customer Satisfaction Surveys** - administered annually to gauge State of Arkansas Participants' level of satisfaction with TASC's services.

C. List and describe your company's past experience with projects of similar scope. Specifically list and describe all projects administered and managed by your company that meet the five (5) year experience requirement.

*The information in this section is **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted copy.*

[Redacted content]





D. List and describe the State, Federal, and/or local public entities that your company has provided services for in the past. Include the services provided, the dates your company provided the services, and how this experience provided your company with the capability to work with a geographically diverse population.

*The information in this section is **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted copy.*

[Redacted text block]

[REDACTED]

[REDACTED]

[REDACTED]

E. Detail the contract(s) and/or interest(s) held by your company with any operation located outside of the continental United States including a description of the relationship. Detail entities owned by your company or entities your company has a financial interest in (inside or outside the continental United States) that would receive compensation if your company were to be awarded a contract as a result of this RFP and describe the relationship.

TASC does not currently own an interest or contract with any operation located outside the continental United States.

F. Describe your company's overall client retention rate over the previous two (2) years for your company's complete book of business.

TASC's 73,000+ Clients range from small business owners/farmers to Clients like the federal government. In your market of large Clients which includes universities, federal and other government entities, our retention rate is 98%.

We have a long history as a service provider to small and mid-market Clients, and with those Clients, we have an **average tenure over 10 years**. In recent years, we've been increasingly called upon to serve the large market as a result of our success with Clients such as Federal, State, and local governments. TASC's average tenure with large-market Clients like you is 5+ years and counting.

G. Detail your company's philosophy, policies, and processes for providing transparent administration to its clients.

To us, transparent administration means providing you with visibility into the status of account funds, reimbursements, denials, appeals, and other processes and data.

We provide transparency with:

- A wide range of administrative reports available in your Client Portal as described elsewhere in this proposal
- Documented processes for adjudication, appeal, and other claim management processes
- Non-discrimination testing to ensure that the Participants receive the same level of benefits regardless of rank
- An annual account review with a Client Account Executive to ensure you are receiving the exceptional service you expect and to review any new needs we might be able to help you with
- Weekly implementation calls and in-person meetings as required

H. Describe your company's experience coordinating the development, implementation, and management of Program(s) similar in size and scope to those required in this RFP.

Migrating a program of EBD's size and scope is no easy feat. Many administrators stumble in their execution of their implementation plan resulting in delays, necessitating contract extensions and unexpected costs. That's why EBD needs to trust that your chosen partner is up to the challenge.

With our detailed implementation project plan, subject matter experts and outstanding implementation project managers TASC brings the experience essential to ensure this projects success. In the recent past TASC has implemented new or transitioned similar programs as highlighted below:

- Public Sector (Federal Government – Office of Personnel Management (OPM)) – 2,800,000 eligible employees
- Public Sector (State Government) – 570,000 eligible employees
- Public Sector Education (4th largest School District in US) – 50,000 eligible employees
- Public Sector Education (Big-10 University) – 40,000 eligible employees
- Public Sector Education (Pac-12 University) – 20,000 eligible employees

Our marquee project is the **world's largest workplace giving program**. With TASC as its administrator, the Give Back Foundation was awarded a multi-year, \$58 million contract with the United States Office of Personnel Management (OPM) to administer the Combined Federal Campaign (CFC). Our robust security approach met all of OPM's stringent security requirements. Participation in CFC is open to all 8.5 million federal employees and retirees, both stateside and abroad, through payroll and pension deductions.

E.2 Implementation

A. Describe your company's proposed implementation process that will provide for a successful implementation by the proposed Administration Services Start Date as stated in the RFP.

TASC will perform all start-up and implementation activities necessary to achieve full implementation for the Administration Services Start Date of January 1, 2019, in part including:

1. Prior to July 1, 2018, selection (or early in implementation), complete initial tasks
 - a. Provide training for all employees assigned to this contract covering HIPAA, conflict of interest, litigation disclosure.
 - b. Provide EBD with contact information for the dedicated Account Manager and implementation team who will attend a one- to three-day meeting onsite at EBD offices in Little Rock, Arkansas.
 - c. Obtain signed System Confidentiality Agreements for each TASC representative.
 - d. Schedule onsite visit.
 - e. Negotiate guidelines regarding the process, procedure, and timeline for payroll processing.
 - f. Provide a compliant and comprehensive Plan Document for the ARCap and HSA Programs to EBD for approval (if requested).
 - g. Define the technical specifications for the method TASC will receive enrollment information.
 - h. Establish procedures for Members to follow for the submission of documentation and information to the Contractor.
 - i. Sign a business associate agreement with EBD.
2. Attend an onsite meeting.
 - Establish a schedule of meeting for the remainder of implementation.
 - Schedule training for EBD staff, HIRs of State agencies and public schools, and other designated parties if requested by EBD.
3. Meet weekly or on an agreed schedule with EBD and/or the Arkansas State and Public School Life and Health Insurance Board throughout implementation, either onsite, by telephone, or by video conference, at EBD's discretion.
4. Test and execute data transfer of Participant information.
 - a. Provide payroll interface for the transfer of information to and from the Arkansas Administrative Statewide Information System (AASIS).

- b. Receive and process electronic payroll files in multiple quantities to reconcile established deductions and/or elections.
- 5. Provide Members and Plan Participants with education and enrollment material, mail-outs, and outreach as necessary.
- 6. Conduct staff training on Client features.
- 7. Distribute the toll-free customer service telephone number to Members using mediums such as brochures to HIRs, Member alerts, and newsletters.
- 8. Provide the process Members will use to transfer accounts from the out-going Contractor to the Contractor of this RFP using such mediums as brochures, Member alerts, and newsletters.
- 9. Meet in person with EBD staff, Members, Plan Participants, and/or HIRs at various regions throughout Arkansas to provide education and enrollment services as necessary and/or as requested by EBD. See
- 10. Distributing transition letters, instructional videos, and/or other tools to Members, Plan Participants, EBD staff, agency and public school HIRs, and/or other designated parties that effectively communicate the regulatory and administrative aspects of the Programs specified in this RFP and the ASE and PSE Plans.
- 11. Other activities (including any additional education and enrollment activities) which cannot be effectively provided in this RFP but are needed for the successful implementation and performance of the services outlined in this RFP.
- 12. Distribute the electronic payment debit card to Members via USPS.
- 13. Obtain EBD approval for any corrective action that is required.
- 14. Obtain approval for training and enrollment materials.
- 15. Provide education and enrollment services beginning at least one (1) week prior to the Open Enrollment period each year during the term(s) of any resultant contract.

B. Provide a detailed Implementation schedule/timeline. Include all activities required for successful implementation and the timeframes for completing those activities including the following:

- 1. Data transfer requirements**
- 2. Suggested methods for timely data migration**
- 3. Member/Plan Participant education and outreach**
- 4. Training**
- 5. Member account transfers**
- 6. Debit card distribution**

State of Arkansas Implementation Schedule (Draft)



ID	Task Description	Responsible	Start Date	Planned End Date
1	Pre-implementation			
1.1	Complete mandatory annual HIPAA training if pending.	TASC Implementation	6/18/2018	6/23/2018
1.2	Provide EBD with contact information for the dedicated Account Manager and implementation team	TASC Implementation	6/18/2018	6/23/2018
1.3	Obtain signed System Confidentiality Agreements for each TASC representative.	TASC Implementation	6/18/2018	6/23/2018
1.4	Provide a compliant and comprehensive Plan Document for the ARCap and HSA Programs, if requested	TASC Implementation	6/18/2018	6/23/2018
1.5	Sign a business associate agreement with EBD	TASC Legal / TASC Executive	6/18/2018	6/23/2018
2	Setting up Client meetings			
2.1	Set up a time with the Client for the onsite Implementation Kick-Off Meeting.	TASC Implementation	7/1/2018	7/5/2018
2.2	Send the meeting agenda and any other documents.	TASC Implementation	7/5/2018	7/10/2018
2.3	Hold the Implementation Kick-Off Meeting. (Tentative dates; up to three days)	TASC Implementation	7/10/2018	7/13/2018
2.3.1	Establish the schedule and workflow for payroll processing	TASC Implementation / Client	7/10/2018	7/13/2018
2.3.2	Discuss ways that Members interact with TASC including Call Center functions, submitting claims, etc.	TASC Implementation / Client	7/10/2018	7/13/2018
2.3.3	Schedule training for EBD staff, HIRs of State agencies and public schools, and other designated parties	TASC Implementation / Client	7/10/2018	7/13/2018
2.3.4	Approve training and enrollment materials.	Client	7/10/2018	7/13/2018
2.4	Set up additional implementation meetings as needed (weekly or as agreed).	TASC Implementation	7/13/2018	7/13/2018
3	Completing the Client Information Request for Services			
3.1	Complete and return the Client Information Request Form, EDI Form, and other TASC forms.	Client	7/11/2018	7/13/2018
3.2	Review the Client Information Request for completeness.	TASC Implementation	7/13/2018	7/13/2018
3.3	Forward the Client Information Request to internal departments.	TASC Implementation	7/18/2018	7/18/2018
3.4	Complete a plan application, sign the administrative agreement, and submit both to TASC	Client	8/2/2018	8/6/2018
3.5	Return the signed administrative agreement to the Client.	TASC Implementation	8/7/2018	8/8/2018
4	Setting Up COBRA Carriers			
4.1	Complete and return the COBRA Carrier and Rate Information Request Form.	Client	7/10/2018	7/13/2018
4.2	Review the Carrier and Rate Information Request Form for completeness.	TASC COBRA Team	7/13/2018	7/13/2018

4.3	Provide the missing and incomplete information.	Client	7/16/2018	7/16/2018
4.4	Send the Client the COBRA Carrier ID and Coverage Codes.	TASC Implementation	7/17/2018	7/18/2018
4.5	Send an Administrator Change Notification to each carrier to apply COBRA services.	Client	7/26/2018	7/31/2018
4.6	Send a Follow-up Administrator Change Notification to each carrier to apply COBRA services.	TASC COBRA Team	8/1/2018	8/6/2018
4.7	Verify eligibility and billing is set up with each carrier for COBRA services.	TASC COBRA Team	8/1/2018	8/3/2018
4.8	Enter the Carrier Plan and Rate information into the system.	TASC COBRA Team	8/1/2018	8/7/2018
4.9	Audit the Carrier Plan and Rate information in the system.	TASC COBRA Team	8/7/2018	8/9/2018
4.10	Send the rates and instructions to the Client to approve.	TASC Implementation	7/16/2018	7/16/2018
4.11	Review and approve the COBRA rates.	Client	7/16/2018	7/16/2018
5	Setting Up Client Access to the Website			
5.1	Provide names and email addresses for users who need access to the website.	Client	9/25/2018	9/27/2018
5.2	Set up usernames and passwords and forward to the Client.	TASC Implementation	10/10/2018	10/22/2018
5.3	Advise the Client to begin using the website.	TASC Implementation	11/14/2018	11/14/2018
6	Set Up Banking (FSA and HSA)			
6.1	Complete and return the Banking Authorization Form	Client	7/25/2018	7/13/2018
6.2	Complete the reimbursement bank account and collateral bank account paperwork for set up.	CDHC Team	7/13/2018	7/13/2018
7	Participant Enrollment Communication (FSA and HSA)			
7.1	Provide FSA and HSA enrollment materials (PDF format).	TASC Implementation	7/20/2018	7/20/2018
7.2	Open enrollment period (as mutually agreed).	TASC Implementation	9/6/2018	11/29/2018
7.3	Attend onsite enrollment events during the enrollment period.	TASC Relationship Manager	7/20/2018	7/20/2018
8	Processing the COBRA Takeover Eligibility File			
8.1	Prepare and send the first test eligibility file with COBRA codes to TASC.	Client	8/21/2018	8/23/2018
8.2	Review the file and notify the Client of the results.	TASC Implementation	8/23/2018	8/24/2018
8.3	Update the test eligibility file and send it to TASC.	Client	9/6/2018	9/7/2018
8.4	Review the file and notify the Client of the results.	TASC Implementation	9/10/2018	9/11/2018
8.5	Transmit the production COBRA eligibility file to TASC.	Client	10/19/2018	10/22/2018
8.6	Prior to going live, transmit the updated production COBRA eligibility file.	Client	11/16/2018	11/20/2018
8.7	Send the final live production eligibility file with final paid-through dates.	Client	TBD	TBD
9	Processing the Ongoing COBRA Eligibility File			
9.1	Prepare and send the first test eligibility file with COBRA codes to TASC.	Client	8/21/2018	8/23/2018
9.2	Review the file and notify the Client of the results.	TASC Implementation	8/23/2018	8/24/2018
9.3	Update the test eligibility file and send it to TASC.	Client	9/6/2018	9/7/2018
9.4	Review the file and notify the Client of the results.	TASC Implementation	9/10/2018	9/11/2018
9.5	Update the test eligibility file and send it to TASC.	Client	9/25/2018	9/26/2018
9.6	Review the file and notify the Client of the results.	Client	9/26/2018	9/27/2018

9.7	Transmit the final production eligibility file with new qualifying events.	Client	TBD	TBD
10	Processing the Participant Eligibility Files (FSA and HSA)			
10.1	Prepare and send the first test eligibility files to TASC.	Client	8/21/2018	8/22/2018
10.2	Review the results and notify the Client.	TASC Implementation	8/27/2018	8/28/2018
10.3	Update the test eligibility files and send to TASC.	Client	9/5/2018	9/7/2018
10.4	Review the results and notify the Client.	TASC Implementation	9/12/2018	9/12/2018
10.5	Update the test eligibility files and send to TASC.	Client	9/20/2018	9/25/2018
10.6	Review the results and notify the Client.	TASC Implementation	9/26/2018	9/26/2018
10.7	Transmit the production eligibility files to TASC.	Client	11/15/2018	11/15/2018
11	Payroll File Activities (FSA and HSA)			
11.1	Prepare and send the first test payroll file.	Arkansas Administrative Statewide Information System	8/21/2018	8/23/2018
11.2	Review the file and notify the Client of the results.	TASC Implementation	8/24/2018	8/30/2018
11.3	Update the test payroll file and send it to TASC.	Arkansas Administrative Statewide Information System	9/6/2018	9/7/2018
11.4	Review the file and notify the Client of the results.	TASC Implementation	9/10/2018	9/12/2018
11.5	Update the test payroll file and send it to TASC, testing against use case scenarios.	Arkansas Administrative Statewide Information System	9/25/2018	9/26/2018
11.6	Provide the test results to the Client.	TASC Implementation	9/27/2018	10/1/2018
11.7	Transmit the production payroll file to TASC.	Arkansas Administrative Statewide Information System	TBD	TBD
12	TASC Benefit Card Activities (FSA and HSA)			
12.1	Provide the Benefit Card materials to the Client.	TASC Implementation	7/18/2018	7/18/2018
12.2	Send Card packages (Benefit Cards and corresponding communication) to Participants.	Benefit Card Vendor	11/29/2018	11/30/2018
12.3	Verify all Card packages have been sent to the Participants.	TASC Implementation	12/3/2018	12/3/2018
13	Client training			
13.1	Conduct system training for EBD staff, HIRs of State agencies and public schools, and other designated parties (tentative dates)	TASC Implementation	11/29/2018	11/30/2018
14	Plan effective date	--	1/1/2019	1/1/2019
15	Communicating with COBRA Participants			
15.1	Send the Administrator Change Notification to each COBRA Qualified Beneficiary (QBs).	Client	Ongoing	Ongoing
15.2	Prepare and send the Welcome Letters and Billing Coupons to the COBRA QBs.	TASC COBRA Team	Ongoing	Ongoing
16	Completing Implementation			
16.1	Follow up to ensure the Client is satisfied with TASC services.	TASC Implementation	1/17/2019	1/17/2019

16.2	Provide the Client with the post-implementation TASC contact information.	TASC Implementation	1/17/2019	1/17/2019
------	---	------------------------	-----------	-----------

This schedule will be updated as needed before the Kick-Off Meeting.

B. Detail your company's implementation team members that will attend the initial 1-3 day(s) Implementation meeting(s) in Little Rock, Arkansas. Provide the following for each member of the implementation team:

1. Name

2. Title

3. Experience and credentials

Describe what practices your company has found effective in similar meetings.

Understanding the significance and magnitude of EBD's program, TASC is assigning two (2) Implementation Managers to EBD based on the known, current requirements and scope.

Note - The Implementation Managers bring over 15 years of experience. Below is EBD's dedicated Implementation team.

1. Cindy McKinnon

Implementation Manager

Cindy is the designated Implementation Manager who works one-on-one with TASC's high profile Clients ensuring their transition is successful. Cindy has 11 years of industry experience including HRA, FSA, and extensive HSA experience, along with a B.S. degree in Business Administration from the University of Redlands (California). Cindy has strong communication and client services' skills, and the knowledge to ensure a positive customer experience.

2. Eric Haunfelder

Implementation Manager

Eric has more than 8 years of industry experience and a B.A. in Business Administration from Lakeland University in Madison, WI. Eric is a people person with an affinity for problem solving that embraces any challenge thrown his way. With a background in tax-favored account and continuation administration as well as EDI troubleshooting, Eric joined TASC's implementation team ready to provide the support and top tier service required for a successful implementation.

Specialized State of Arkansas Launch and Deployment

Implementation is critical to EBD's operational success, and TASC uses best practice project management methods to achieve reliable results.

- Two (2) designated **Implementation Managers** will stay with the implementation until migration to operations is complete and successful oversight will ensure the project stays on task.
- The Implementation Manager will work closely with EBD to define their needs and incorporate those needs into a detailed Implementation Project Plan and timeline, and then translate the plan into the setup of operational services.

- TASC will “walk” EBD through the requirements that are needed for a successful implementation of services and also provide an implementation manual for reference and guidance.
- The Implementation Manager ensures there is no breakdown of communication between the various transition stake-holders (data exchange, marketing & communications production etc.). The Implementation Manager makes certain the required implementation tasks are completed on time with limited disruptions to EBD’s operations.
- Implementation Managers are backed by a team of Subject Matter Experts (SME).

The specialized State of Arkansas Implementation Managers, assigned during finalist selection (subject to your agreement), will work with you to create a robust plan to ensure that your onboarding and implementation requirements are met. The designated Implementation Manager will meet weekly with the Client Account Executive, Shannon Strom, the Regional Vice President, Stuart Bowie and Nisha Weyker, Executive VP, Large Market & Sales Operations, to review the Client status report and to ensure that activities are tracking properly against the implementation schedule.

To that end, TASC has an extensive and intentional implementation process due to our experience and success with large clients and as an investment in our partnership. TASC provides dedicated, professional Implementation Managers with significant experience in complex project management. Implementation services include comprehensive assistance with identifying strategic and tactical opportunities. We are proficient in both recommending: (1) process designs; and (2) ways of managing the underlying benefits likely to reduce costs.

C. Describe your company’s experience with the implementation of projects in similar size and scope. Include timelines, goals, results, pitfalls, risk mitigation, and any other element necessary to fully communicate your company’s implementation experience. Detail the specific information generally requested of clients during these types of implementations.

TASC believes that implementation has a controlling and lasting effect on all subsequent service and process results. The cornerstone to a timely and successful implementation is a well-defined plan and an understanding of the necessary requirements. We invest time and resources to thoroughly understand our clients and ensure that a complete knowledge transfer occurs.

After completing and evaluating thousands of implementations, we have found the **most important factor** in an implementation’s success is establishing a realistic timeline and adhering to it as closely as possible. As this is especially important for our large group clients, we assign an implementation team led by an experienced Implementation Manager who serves as your main point of contact to ensure a successful transition. Upon completion of the implementation process, your dedicated Relationship Manager and our Customer Care team take over the day to day responsibility of your account.

Your Implementation Manager will work closely with you to **collaboratively define your needs** and incorporate them into a detailed Implementation Project Plan and then translate the plan into the setup of operational services.

Recognizing the importance of EBD’s marketing and communication strategy, TASC provides EBD a **dedicated Marketing and Communications Liaison**. TASC’s experienced Marketing and

Communications Liaison works collaboratively with EBD staff to develop a **comprehensive marketing plan** to **increase participation** in the Flexible Benefits Plan each year. The Liaison recommends specific communications plans and goals in accordance with the overall management of the program and reports on the targeted metrics, status updates and operational updates during the quarterly communications call. The Liaison is also responsible for ensuring all materials are cobranded according to EBD brand guidelines for vendors.

TASC will ensure that all information and materials to be distributed in any fashion is approved in advance by EBD's Communications Department.

TASC also:

- Attends other benefit fairs and open enrollment events – in this case about 41 events a year with 100 or more attendees, with a schedule subject to mutual agreement
- Offers courses customized for EBD, delivered onsite or via web conference, making attendance lists available to EBD in either case; a Question and Answer session may be incorporated into a training session or TASC can deliver written answers to students via email after the course
- Offers integration training as needed for EBD's payroll centers
- Produces a EBD-branded online educational video about open enrollment or other topics of interest that TASC can feature on the EBD websites it maintains
- Supports Administrators with a dedicated Account Management team during open enrollment and year-round
- Supports Participants with friendly Customer Service Representatives during open enrollment and year-round

Based on TASC's experience with large State Clients and the quantity of benefit fairs for this contract, TASC recommends the following to ensure adequate coverage:

- The Client schedules benefit fairs across the state and shares the schedule with TASC
- TASC's Team Arkansas would represent the fairs as often as possible
- TASC reach out internally to employees who are knowledgeable about EBD's requirements and those who are knowledgeable about EBD's Plan types (FSA and HSA)
- TASC identifies a master list of employees who are a good fit and are geographically closest to each event
- TASC sends out a call for volunteers and schedules their attendance at fairs
- TASC reports those assignments to the state
- TASC trains the employees on EBD's Plans and requirements
- TASC works with EBD to develop custom open enrollment educational materials to be handed out at these benefit fairs
- TASC prints Participant education materials
- TASC employees attend the benefit fairs as scheduled

Our goal is to consistently and thoroughly address the unique needs of your organization, from Plan design through implementation and ongoing education. We fully grasp the complexity of transitioning and implementing service for Clients of your size because **we've done it before**. Our proven implementation methodology and field-tested best practices result in an orderly implementation for efforts of all sizes. To ensure our service meets the highest quality standards, we audit key implementation processes such as benefit rate entry, qualifying event entry, election changes, and disbursement. That's why we are able to offer a **money-back guarantee**, which we find is just as important to our largest clients as it is to our smallest.

D. Describe the risks your company anticipates EBD, the Plan, Programs, Members, and Plan Participants may face during the Implementation Period and your company's plan to mitigate those risks.

While TASC does not foresee any material project risks for this project we have developed a plan outlining our proven solutions to potential risks. Risks for implementing similar projects include:

Risk: Key team members are unavailable

Mitigation: TASC has identified all team members and support staff that will be assigned to this project. Additionally, TASC has also enclosed a proposed implementation schedule with deliverables that will be finalized upon contract negotiations with TASC.

Risk: Act of God

Mitigation: Our dedicated Implementation Manager is supported by a robust team of experts who will identify and mitigate areas of cost, scope, schedule and technical events that may occur during project implementation. Because of this, we will maintain and update EBD throughout the life of the projects. However, in the event of an act of God, TASC performs a qualitative risk assessment while progressing with the work associated with implementation at our hub.

Risk: Overly optimistic schedule

Mitigation: TASC incorporates adequate buffer-time for planning, design, testing, bug fixing, retesting, changes and documentation and properly accounts for nonworking time such as weekends, holidays, and staff vacations. TASC solicits feedback from both technical teams when scheduling work.

Risk: Undefined Scope Requirements

Mitigation: Throughout the entire duration of this project TASC will meet with EBD on a weekly basis and coordinate with EBD and all stakeholders to develop clear, detailed, cohesive, attainable and testable requirements. TASC monitors and controls all proposed services and ensures all services have been rendered on time and on budget, without sacrificing desired features, safety and compliance.

Risk: State of AR stakeholder change requirements

Mitigation: The account managers will communicate with EBD and stakeholders frequently in order to avoid miscommunication in a change in project manager.

E.3 ARCAP and HSA Administration

A. Provide a detailed description of the contractual relationship with your Custodian/Trustee.

TASC has partnered with HealthCare Bank for the past 8 years. TASC monitors and evaluates the relationship annually. Deposits and investments for consumer-driven healthcare accounts are held and managed by HealthCare Bank, a division of Bell State Bank & Trust (member FDIC). Bell State Bank & Trust is one of the Midwest's largest privately-held financial institutions.

HSA Custodian:

HealthCare Bank (a division of Bell State Bank & Trust)
3100 13th Avenue South
Fargo, ND 58103
www.healthcarebank.com

Rest assured, TASC and HealthCare Bank **will not surprise EBD or EBD's Participants** with **hidden fees**. Unlike our competitors, TASC guarantees the **only fees charged are detailed in this RFP** response and will be agreed to in the final contract with EBD.

B. Provide a sample of the following documents in electronic format only (CD or Flash Drive):

- 1. Member Account Application(s)**
- 2. Beneficiary Designation Form**
- 3. Marketing/Education Material(s)**
- 4. Summary Plan Description, Plan Document, or similar document**
- 5. All other documents/information currently provided to prospective Members for other clients of your company**

Examples of Member Account Application, Beneficiary Designation Form, Marketing/Education Material(s), Summary Plan Description, Plan Document and other documents/information provided to prospective members have been provided electronically, under separate cover, in Ancillary Information Exhibit – TASC HSA Communication Materials.

C. Describe your company's processes and capabilities for sending alerts for any rejected, unexpected, and/or unintended funding to a Member's account and the process for notifying clients upon each occurrence.

Denied claims are managed as follows:

- The Participant receives a denial notification electronically via email and/or text message. The notice also is posted on the web portal. The Participant may receive the notice via mail, when necessary.
- The notification includes details regarding the reason for denial, action needed, and appeals instructions.
- The denial detail is available for viewing on the web portal at any time.
- If the denial results in a repayment due, the repayment notification is sent electronically and/or via mail along with the applicable denial. Funds are held until repaid either through direct check/EFT repayment or the reduction of a future claim. When any repayment amount is satisfied, a revised repayment notice will result to keep the consumer updated on the status.

- The Participant Portal has an alert on the front page regarding repayments.
- Repayments can be initiated by the Participant on the Participant Portal.

D. Describe your company's accounting and business processes that provides for the correct crediting of Member accounts. Describe issues your company has faced in the past that caused the incorrect crediting of Member accounts and how your company provided for correction and the measures/processes instituted to prevent reoccurrence.

In the event of a discrepancy the Account Management team contacts EBD via phone or email and develops an immediate resolution and implements any change necessary to prevent reoccurrence of the issue.

TASC uses a report containing annual elections and payroll frequencies to identify discrepancies between the payroll center and the deductions expected. Based on the finding of this report comparison a discrepancy report is generated which includes the name of the file, processing date and the reason that the deduction could not be posted to the Participant account.

E. Describe the procedures your company currently has in place for the submission of Member/Plan Participant documentation and information.

Participants upload receipts or Explanations of Benefits (EOBs) for substantiation by using the claim receipt upload feature on the Participant Portal, using their phone or tablet's camera and the mobile app, or uploading a photo saved on the phone's camera roll. Receipts may also be submitted to the administrator for upload via the administrator's manual process.

F. Describe how the Affordable Care Act has affected the language in your company's Summary Plan Description, Plan Document, or similar document and include how often your company reviews/ updates such documents.

March 23, 2010 the Patient Protection and Affordable Care Act (PPACA) was signed into law resulting in instant and dramatic changes to health care, compliance and employee benefits administration.

TASC's Clients, Participants and even its own Employees were faced with a mountain of uncertainty about how this massive overhaul would affect them.

TASC did not hesitate to take action and reacted quickly to make numerous changes required to both Plan Document language and administrative process. TASC documents were amended to incorporate information regarding HCR changes that have or will take place. TASC clearly explained process related issues helping users understand any action they may need to take.

Furthermore, TASC created informative documents with awareness, education and promotional elements including flyers, blogs and email blasts.

Plan Documents were updated to reflect applicable changes including:

- Small Business Tax Credits
- Consumer Protections
- Changes to Tax Free Savings Accounts
- FSA Limits
- Dependent Age 26
- Medicare High income Beneficiaries
- Exchanges
- Co-op Health Plans

- Individual Mandate
- Annual Limits
- Employer Requirements
- 1099 Reporting Requirement
- Over the Counter Medication
- Small Business Tax Credit
- Free Choice Vouchers
- Essential Health Benefits
- Cadillac Tax
- W-2
- Discrimination Testing
- Wellness Program Grants

G. Describe how the interest rate is determined for HSAs administered by your company, such as by a specific mutual fund or money market account, or by the custodian/trustee. Provide the current interest rate paid on your company's HSAs and your Members' average account balance over an annual period.

Today, TASC has nearly **\$100 million assets under management** with an average Participant account balance of about \$1,700.

Cash Account balances initially are invested in an FDIC-insured interest-bearing account with HealthcareBank, custodian for the HSA. The following interest rates and annual percentage yields (APYs) are currently offered.

- Cash Account Balances of \$0.01 - \$1,999.99; interest rate of 0.05% (APY 0.00 - 0.05%)
- Cash Account Balances of \$2,000 - \$4,999.99; interest rate of 0.10% (APY 0.05 - 0.08%)
- Cash Account Balances of \$5,000 - \$9,999.99; interest rate of 0.25% (APY 0.08% - 0.17%)
- Cash Account Balances of \$10,000 - \$24,999.99; interest rate of 0.35% (APY 0.17% - 0.28%)
- Cash Account Balances of \$25,000 and up; interest rate of 0.50% (APY 0.28% - 0.50%)

The daily balance method is used to calculate interest on the Cash Account. This method applies a daily periodic rate to the principal balance in the Cash Account each day. Interest rates will be paid only for the portion of the daily balance that is within each tier. The interest rate and APY may change at any time at HealthcareBank's discretion. Interest begins to accrue no later than the business day HealthcareBank receives credit in the Cash Account for the deposit of noncash items (e.g., checks). Interest is compounded and credited to the Cash Account monthly. If the consumer closes the Cash Account before interest is credited, the consumer will not receive the accrued interest for that month.

H. Detail the different fund investments offered by your company for HSAs. Include information regarding the following:

- 1. Investment Options**
- 2. Limitations**
- 3. Restrictions**
- 4. Communication material(s)**
- 5. Custom investment options, pre-established investment models, or other options**

Currently, TASC HSA offers a wide set of investment options from which HSA owners may select the investments they wish to utilize:

- Interest Bearing Account (.20% APR). FDIC Insured – Bank Guaranteed.

- Mutual Fund Options (History of returns shown in Exhibit - HSA Investment Options). Not FDIC Insured – No Bank Guarantee – May Lose Value. Options below.
- James Balanced Golden Rainbow (Retail) – Conservative Allocation
- T. Rowe Price Capital Appreciation Fund (Adv) – Moderate Allocation
- Ivy Asset Strategy (A) – World Allocation
- Vanguard 500 Index (Inv) – Large Blend
- American Funds Growth Fund of America (F1) – Large Growth
- Vanguard Mid-Cap Index (Inv) – Mid-Cap Blend
- JPMorgan Market Expansion Index (A) – Mid-Cap Blend
- Neuberger Berman MidCap Growth – Mid-Cap Growth
- Vanguard Small Cap Blend Index (Inv) – Small-Cap Blend
- Vanguard Small Cap Growth Index (Inv) – Small-Cap Growth
- Northern Small Cap Value – Small-Cap Value
- Vanguard Total International Stock Index (Inv) – Foreign Large Blend
- American Funds Europacific Growth (F1) – Foreign Large Growth
- Fidelity Advisor Diversified International – International
- Vanguard Emerging Market Stock Index (Inv) – Diversified Emerging Mkts
- Vanguard Total World Stock Index (Inv) – World Stock
- Nuveen Real Estate Securities (A) – Real Estate
- Templeton Global Bond (A) – World Bond
- Vanguard Intermediate Term Bond Index (Inv) – Intermediate-Term Bond
- PIMCO Total Return (Adm) – Intermediate-Term Bond
- Vanguard Total Bond Market Index (Inv) – Core Bond



These funds are **monitored and reviewed quarterly** by the Registered Investment Advisor, Devenir, and aim to provide a reasonable choice of investment options that remains mostly stable over time to avoid fund turnover.

HealthcareBank's standard investment list has **no load or transfer fees**. A limited number of investment options require a mutual fund fee; however, Participants are made aware of that fee before selecting the investment.

TASC's Participant Portal allows the Participant **complete control over their investments**. A Participant can view balance by investment, fund performance, transaction details, fund activity summary and pending/activity summary. In addition, a Participant can manage investment elections, realign and transfer investments, and set investments to automatically adjust the balance.

TASC also offers **easy-to-use financial tools, fund** prospectuses, account history and advanced management features, such as automatic portfolio rebalancing, are available to the account holder

via the investment portal. Participants may also use the tools to calculate the **potential growth of their investments**.

Limitations. The maximum contribution limit for the HSA is based on indicating 'single' versus 'family coverage' during the enrollment process. This can be updated at any time using the Administrator portal, which then immediately updates the contribution maximum limit. The system does not perform any calculations to pro-rate for mid-year changes. We view this as the Participant's responsibility to manage.

Restrictions. The maximum contribution limit for the HSA is based on indicating 'single' versus 'family coverage' during the enrollment process. This can be updated at any time using the Administrator portal, which then immediately updates the contribution maximum limit. The system does not perform any calculations to pro-rate for mid-year changes. We view this as the Participant's responsibility to manage.

Communication material and all other relevant information. Our passion for providing customized education and training and our state-of-the-art Participant web portal combined with our unique communication options puts us in a league of our own. We believe in extending our knowledge of plan benefits, compliance and regulatory issues to our Clients and Participants by offering virtually unlimited electronic education, marketing and administration materials including PDFs, enrollment sheets, Frequently Asked Questions (FAQs), Power Point presentations, *OnDemand* audio and video presentations, seminars, administration manuals, handouts and webinars.

Custom investment options, pre-established investment models, or other.

TASC welcomes the opportunity to explore possible custom investment options or pre-established investment models with EBD during finalist negotiations. Today, TASC HSA offers an array of mutual funds, as well as an interest-bearing account, which gives employee's competitive investment choices that are attractive to both novice and experienced account holders. A few investment options require a fee; however, those are clearly noted so participants are aware before selecting the investment.

I. Describe your company's options for allowing the Member to select multiple custodians and how the services your company provides for comprehensive HSA administration is affected by the Member's selection of multiple custodians.

Today, TASC utilizes HealthCare Bank as its sole custodian.

J. Detail how many actively managed accounts your company currently supports. Do not include any account totals for the custodian or other administrators using the same administration system.

Today, TASC actively manages over 51,000 accounts with a total of nearly \$100 million in assets.

K. Describe your company's method of handling liability to an HSA Member for miscommunication or erroneous information from your company regarding the Member's HSA.

TASC assumes full responsibility, including financial liability, to the HSA Member for any miscommunication(s) and/or erroneous information provided to the Member by TASC and related to

the Member's HSA account as it relates to TASC's services. Corrective action, if any, shall be approved to EBD prior to implementation.

E.4 COBRA Administration

A. Provide a detailed statement expressing your company's understanding of what it means to provide COBRA administrative services as required in the RFP.

When you choose TASC you shift the administrative responsibilities and liabilities to a trusted Third Party Administrator, ensuring compliance for you and your employee benefit programs. With TASC you will receive the following benefits:

TASC Delivers. Our services promptly take care of the necessary communications, forms, notices, record keeping and collection of premium payments. In all, we provide a 'security blanket' that keeps you in compliance with complex Federal Regulations.

- Supplies a Compliance Manual for your reference
- Records and maintains all documents on all COBRA activity
- Provides proof of Qualifying Event Notification
- Establishes election and payment receipt deadlines
- Maintains records on all COBRA correspondence
- Provides the following notifications to employees:
 - Communication of event from employer to TASC
 - Communication from administrator to Qualified Beneficiary
 - Election Notice
 - Expiration of Coverage
- Sends notice during continuation if another qualified event is experienced
- Provides premium coupons
- Provides remittance of insurance payment to EBD
- Manages grace periods for timely notification
- Provides dependent communication

Compliance. TASC assumes liability for all COBRA required administrative procedures and regulations and maintains positive proof of compliance to protect EBD's interests.

Full Reporting of Accounts. Provides easy to understand account reports that allow EBD to monitor COBRA activities.

Trained Staff and Technical Support. EBD will have access to an experienced set of employee benefits and financial experts, and to TASC's online portal to stay informed and up-to-date on all legislative and regulatory change affecting the Plan.

B. Describe your company's most noteworthy qualifications for providing COBRA administrative services. Specifically highlight your company's qualifications that distinguish you from your competitors.

TASC manages all aspects of administration and compliance for your COBRA program, working closely with you to ensure seamless Plan implementation, accurate ongoing administration, and dependable compliance.

Under COBRA, an Employer (or Third Party Administrator on the Employer's behalf) must comply with numerous time-sensitive deadlines related to Qualified Beneficiary (QB) notification, election dates, and premium payment dates (if applicable). TASC removes employer burden and provides peace of mind that the employer is in complete compliance with all COBRA rules and regulations.

TASC services include:

- An online Client Portal with **tools that reduce your COBRA workload**
 - Submit **new hire** information for a General Notice
 - Enter and manage QBs and dependents
 - Create and access online reports
 - Copies of communication sent to QBs
 - Update Plans and carriers at renewal
- **A QB Portal** for one-time and recurring premium payments, managing dependents, updating demographic information, and viewing correspondence
- Care Center support for Clients, QBs and beneficiaries
- COBRA **premium payment** billing and collection; TASC:
 - Sends coupons to QBs
 - Disburses premiums to the Client monthly
 - Details payments received in a month-end report
 - Establishes election and payment receipt deadlines
- Issuing of all required **COBRA notices/communications** for QBs including General Notices, COBRA Election (Qualifying Event) Notices, Notification of Rate and Benefit Changes, and communication to dependents
- Processing of **Qualifying Event (QE) elections**
- **Adjudication** of COBRA elections; verification of continued **COBRA eligibility**
- **Takeover** of current QBs
- **Recordkeeping** on all COBRA correspondence and activity
- **Protection from liability** for all required COBRA administrative procedures and regulations
- **All-inclusive fees**; no hidden fees
- **A money-back guarantee**

E.5 Administration System

A. Describe your company's system used to provide the services specified in the RFP and include the following:

1. The length of time the system has been in full operation

The MyTASC system has been in operation since 2007.

2. The capabilities the system has for providing a single sign-on / Trusted Link between necessary applications

TASC offers **Single sign on experience with** access to any channel with only one username and password, with additional login options available for mobile channels (facial and voice recognition)

3. The capabilities for accepting electronic transfer of eligibility

Drawing on **decades of experience** administering benefit programs for clients of all sizes, TASC developed the most **cohesive, consistent and integrated** enrollment process in the business.

For EBD, TASC uses **multiple options** for enrollment and eligibility data transmission to ensure timely and effective receipt of enrollee data and changes including **secure file transfer, online enrollment, and paper**. Today, TASC has hundreds of integration points from ADP and health plan carriers to small technology platforms and Benefit Enrollment systems. Our proven ability to integrate with multiple partners and systems provides confidence to our clients that TASC can handle even the most complex design and set up.

Receiving & Process Requests

Initial Enrollment & Status Changes

Step 1: TASC will coordinate with EBD stakeholders to host a kick-off meeting to confirm sources for all enrollment data and confirm the file type best suited for EBD. During this meeting, TASC identifies the payroll centers needing alternative options for transmission such as paper or web.

Step 2: File specifications are provided by TASC and include required data fields to facilitate the establishment of Participant accounts. Files are designed to seamlessly incorporate new enrollment data and status changes in **one** file.

Step 3: TASC defines a timeline for processing and confirming data transmission and communicates the timeline to EBD stakeholders. Your designated TASC Team processes files in real-time eliminating any delays in creating and updating Participant accounts.

Step 4: In terms of multiple enrollment methods for both FSA and HSA participants; the PEBA payroll centers have the option for selecting the enrollment method most suitable to their program from the following: Electronic Data Interface (EDI) secure file transfer; online enrollment through www.tasconline.com or paper submission.

Payroll centers electing secure file transfer determine the frequency of their file transmissions to TASC. Ongoing eligibility files are transmitted daily. Open enrollment files are typically transmitted after the closure of the Open enrollment period or until a minimum of 3 weeks prior to the Plan Year start date.

B. Provide a sample login or detailed color printed screenshots with a description of layout and purpose of single secure website/portal.

Please see [Exhibit C – TASC Screenshots](#) for screenshots of the single secure website/portal.

C. Describe the major system conversions occurring within your company within the past two (2) years and any major system conversions planned to occur in the future.

As an industry-leader, process improvements, enhancements and upgrades are perpetual at TASC. As a technology trailblazer and first-mover, TASC is **leading the charge** into the future of benefit account management by pioneering the next generation of applications and features to manage and enhance our offerings.

TASC commits millions of dollars annually to remain at the forefront of technology and continues to **develop innovative solutions** in areas such as card technology, mobile applications and service workflow. As always, TASC's goal is to deliver the **enhanced visibility, transparency and features** our customers crave to EBD.

Note – Any new technologies that TASC releases will not affect our service-levels to EBD, and no changes to our system would be implemented for EBD's FSA/HSA administration without prior EBD-approval, beta testing, quality assurance testing, acceptance testing and user testing.

D. Describe your company's process for clients to request enhancements to your company's administration system and website based on non-standard benefit design and provide the average turnaround time for system and website changes or enhancements.

During the Sales and Implementation process, you can discuss your customization needs with the Regional Vice President, Stuart Bowie and the dedicated Implementation Manager, Cindy. Once you are a customer of TASC, you can share your needs with your Client Account Executive, Shannon Strom.

TASC has extensive experience customizing our technologies for our enterprise customers, including adapting our giving platform for the world's largest workplace giving program. Your RFP contact and Client Account Executive will connect you with the right TASC resources to capture your non-standard benefit design. The average turnaround time for system or website changes three weeks to six months, but it really depends on the extent of the changes.

E. Describe the method your company uses to gather data necessary for non-discrimination testing including a sample of the forms provided for public sector use and the frequency of reporting. Detail any other testing available.

To begin, TASC performs an evaluation with EBD to adequately identify the scope of non-discrimination testing and to determine the best and most effective approach.

TASC ensures that EBD's plans do not discriminate in favor of Highly Compensated Individuals (HCIs). Each year a series of calculations are required to determine if Plans favor HCIs and/or key employees (with respect to eligibility and benefits). Discriminatory Plans may subject employers to fines and penalties and employees to unnecessary taxes. In addition, under new healthcare regulations, discriminatory plans may face excise taxes, civil monetary penalties, and/or civil actions if not brought back into compliance.

TASC offers **40 years of employee benefits experience** supported by industry, governmental, and compliance experts to ensure all aspects of compliance for EBD's employee benefits Plans:

- Full compliance with evolving regulations

- Tests designed to handle each type of Plan, employer, and industry
- User-friendly tools guarantee that the tests are conducted correctly
- Guidance on how to correct test failures
- Fast and understandable result notification
- Convenient packaging of multiple tests for complete compliance
- Assistance with bringing Plans into compliance

TASC will conduct the following Non-Discrimination Tests:

- IRS Section 125 Eligibility Test (Cafeteria Plan, Dependent Care FSA's)
 - IRS Section 125 Benefits Test (Cafeteria Plan, Dependent Care FSA's) - A non-numerical test and just confirmed based on structure of the plan
 - IRS Section 125 Contributions & Benefits Test (Cafeteria Plan, Medical Flexible Spending Accounts, Dependent Care FSA's)
 - IRS Section 125 25% Key Employee Concentration Test (Cafeteria Plan, Medical Flexible Spending Accounts, Dependent Care FSA's)
 - IRS Section 105 Eligibility Test (Health FSAs, Self-Insured, and/or HRA's)
 - IRS Section 105 Benefits Test (Health FSAs, Self-Insured, and/or HRA's): A non-numerical test and just confirmed based on structure of the plan
 - IRS Section 129 55% Average Benefit Test (Dependent Care FSAs)
 - IRS Section 129 5% Owner Concentration Test (Dependent Care)
1. TASC's Non-Discrimination Team sends EBD an information request with questions about benefit structure and design and organization census information. The request is sent once the application is received if the plan year has already started. If it has not started and for all future years, the request is sent around the first day of the start of the Plan Year. The request includes a questionnaire about the benefit structure and design and an outline for what is needed on the employer created census.
 2. EBD completes the information request and returns it to TASC within 45 to 60 days of the start of the plan year.
 3. TASC compares the data to the criteria the IRS has created and deemed necessary to indicate the plan is in compliance with the IRS regulations under Sections 125, 105, and 129.
 4. TASC examines the data for compliance with numerous IRS regulatory criteria. This is broken out into the tests listed above.
 5. TASC notifies EBD of the results of the testing in PDF format approximately 30 days after receipt of the completed data worksheet.
 - For failed Plans, TASC makes recommendations including specific steps. EBD follows the steps to bring the Plan back into compliance.
 - For passed Plans, no further action is required. The Plan is available for future reference in the Client Portal.

Please see [Exhibit D – Non-Discrimination Testing Forms](#).

F. Describe the process by which your company educates and disseminates information to clients regarding legislative and regulatory changes to its clients and how your company incorporates these changes into its administration system. Include samples of such client communications.

TASC's top priority is ensuring EBD's Plan is compliant with all applicable codes and regulations.

TASC employs experienced legislative analysts, corporate attorneys and compliance experts who closely monitor and scrutinize intelligence gathered from media sources, industry experts and Capitol Hill to determine any impact on our services and customers.

To ensure you stay informed, TASC takes a **multi-tiered** approach:

- Your full-time designated Account Management team ensures you are aware of any regulatory changes that impact EBD. Such communications will be delivered by way of email and during monthly scheduled conference call(s). If time sensitive or requiring urgent action, the designated account management will reach out live to ensure the appropriate action is mutually determined.
- TASC sends **email notifications** to EBD's-identified contacts to announce the publication of a new TASC Capital Connection newsletter to inform contacts of legislative changes. Additionally, these contacts would also receive **email alerts** for any urgent compliance matter such as a new enforcement trend.
- TASC emails EBD's-identified contacts who want to be informed of the latest entry posted on the TASC Capital Connection blog (<https://tasccapitalconnection.com>).
- TASC maintains a dedicated YouTube channel (www.youtube.com/user/TASCvision) that educates and informs contacts of its products, services and compliance topics to which EBD's contacts may subscribe.



Additionally, to communicate any changes to TASC's service offerings, TASC's Business Development Department will email EBD's contacts.

Please see [Exhibit E – TASC Capital Connection Collateral](#).

G. Provide a copy of your company's most recent IT Audit including an auditor opinion, auditor testing, and the results.

Evidence of TASC's most recent IT Audit is **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

TASC's most recent IT Audit has been provided under [Exhibit F – TASC IT Audit](#).

H. Describe how your company ensures that all payments are in accordance with the approved benefit design.

Auto substantiation (A-S) is the use of electronic means to verify the benefit eligibility of card transactions. Since the IRS requires that 100% of FSA and HRA transactions be substantiated, a high A-S rate is the single biggest success factor for any benefit card program. We deliver an 85 – 98% overall A-S rate to our customers, decreasing paperwork and increasing participant satisfaction.

To assure compliance with IRS regulations, we offer the maximum electronic substantiation capabilities to drive the minimum amount of paper. At the point of sale, we screen transactions first by availability of Inventory Information Approval Systems (IIAS) and by merchant category code (MCC) enabling us to disallow use of the card in locations that do not relate to the benefits (e.g., gas stations).

When the Participant uses the card to pay for eligible items at an IIAS merchant that accepts MasterCard® eligible expenses are deducted from the account balance at the point of sale. Transactions are fully substantiated and no paper follow-up is needed. The card also can be used to pay a hospital, doctor, dentist, or vision provider that accepts MasterCard®. In this case, we use our auto-substantiation technology to electronically verify the transaction's eligibility according to IRS rules.

Following are detailed descriptions of our IRS-approved substantiation solutions:

- **Merchants Using Inventory Information Approval Systems (IIAS)** – When the Participant makes a purchase at a merchant using IIAS, the merchant's system automatically recognizes and separates FSA/HSA-eligible from non-eligible purchases. Eligible purchases can be placed on the card and the consumer is asked for an alternative payment method for ineligible items.
- **Real-Time Data Matching at Point of Sale** – If being employed for the employer's plan, we use established direct data links with pharmacy benefit managers (PBMs). Real-time substantiation occurs during the card swipe authorization in the pharmacy prior to the transaction's approval and requires no special handling on the part of the merchant or consumer. The card transaction is matched to the claims data at the point of sale. If they match, the card swipe transaction is approved and considered substantiated requiring no further action. If the transaction cannot be matched, it is declined. This method is ideal for plan designs that require more information than is available through IIAS alone (e.g., for HRAs with a restricted prescription formulary).
- **Retrospective Data Matching**

- **Carrier Data Matching at the Employer Level:** Paid card transactions may be compared to adjudicated claims from health plan, vision, and dental carriers. If they match, the card swipe transaction is considered substantiated and requires no further action.
- **Consumer Claims Sync:** This solution allows consumers to link their healthcare (medical, dental, etc.) insurance account via web login to activate the claims matching functionality for debit card transactions on their own (without a batched claim feed).
- **Employee-Level Copayment Matching** – TASC collects copayment information from the employer. TASC matches it retrospectively against the card transactions. TASC's system automatically calculates multiple and combination copayments (up to five) consistent with IRS guidelines.
- **Recurring Expense Logic** – After a transaction has been substantiated once, transactions for the same amount in the same setting are substantiated electronically and do not require another review.

E.6 Customer Service

A. Describe your company's capabilities, to track, record, archive, retrieve, and report on customer services calls. Include information regarding the following:

Our measurement standards are modified as dictated by good management practices and our clients' service expectations. Calls are documented in our online portal MyTASC. Documentation is viewable by TASC employees.

Note - Since we place an emphasis on first call resolution (FCR) at TASC we recognize that the customer's contentment is the single greatest goal. For year-to-date our FCR is 89%. This stat does contribute to our talk time being higher, and it does increase our hold times somewhat; however most of our customer's issues are resolved with no further intervention needed.

For clients of similar size and scope to EBD, TASC's metrics are as follows:

1. Average Hold Times

Hold times specifically are not tracked however TASC Average Talk Time is 06:30 mm:ss.

2. Average Abandonment Rates

Average Abandonment Rate: 0.84%

3. Average time for call to be answered

Average Speed to Answer: 0:22 mm:ss

4. Initial Call Resolution Rate

First Call Resolution: 90%

B. Describe your customer service call escalation procedure.

TASC believes in empowering its Customer Service Representatives (CSRs) with the authority, training and information necessary to permit them to successfully handle nearly every incoming call during

initial contact, without the need to call the customer back or to refer the caller to a staff member on another team or directly to EBD.

Our CSRs are able to handle the majority of incoming calls from employees and are normally able to answer questions and resolve inquiries during the initial phone call as first call resolution is one of our most touted metric.

In our aim to resolve system or process issues faster and more efficiently, we have two additional, specialized roles within our Customer Care team: *Customer Advocates* and *Resolution Specialists*.

Our highly-experienced *Customer Advocates* review each escalated situation and make the best determination for timely resolution. Any issue that can't be resolved within in one business day will be assigned a Resolution Ticket and *Resolution Specialist*. The *Resolution Specialist* will work the ticket to completion: fully documenting the issue, working with the appropriate internal departments to ensure complete resolution, and communicating with the customer throughout the process.

By truly streamlining the resolution of escalated customer issues we reap these benefits:

- Faster resolution for non-complex issues.
- Improved customer satisfaction through one process, one team.
 - No multiple transfers and hand-offs.
 - Capable resources address issues quickly.
- Enhanced structure and flexibility of resources.
- Transparency of issues and trends.
- Proactive identification, resolution, and prevention of process and system failures.
- A high-quality culture supported by in-depth education and training.

Our first-in-class escalation process has results in increased one-call resolution as well as quicker resolution for more complicated issues. Subsequently, the payoff is more satisfied Clients and Participants.

Accordingly, we take our commitment to accountability, visibility and transparency seriously; as such, we have developed a comprehensive view into our service performance through our online *MyService Center*. This unique portal is accessible by authorized individuals within your organization and allows you to, among many functions, view and track the quantity and status of open and closed service requests. We are confident our complete issue resolution process and transparent *MyService Center* will give you peace of mind, knowing TASC is on the job, working hard to ensure your total satisfaction.

C. Detail the average tenure and turnover rate of your customer service staff.

TASC's customer service staff averages 2 years of experience and boasts a 90% retention rate.

D. Describe the following as they pertain to your company's customer service staff:

1. Types of Pre-employment screenings administered

Staff (both contracted staffing and potential employees) undergo background checks, including a criminal background check for all and a credit check for financial roles, prior to extending offers of

employment. Additionally, extensive personality, problem-solving and soft skills testing during the pre-employment screening process.

2. Criminal Background Checks required

TASC conducts comprehensive criminal background checks on all candidates prior to employment offer being extended.

3. Types and frequency of all training administered

Training

TASC extensively trains Customer Care staff ensuring they have the knowledge, tools and aptitudes to be a highly successful member of the TASC team. Training begins with a 30-day intensive program combining classroom instruction, simulations, testing and live mentoring with senior support staff. Training includes extensive product specific instruction as well as customer service techniques and best practices. Candidates are tested on their product knowledge and must demonstrate excellent customer service in a live, mentored, environment before being released from training. Candidate customer interactions during the training and subsequent probationary period are monitored and calls are reviewed by senior staff for quality assurance. Feedback is provided weekly to the candidate. The probationary period is completed once the candidate demonstrates consistent excellency in both product knowledge and customer service performance. Training does not end with the probationary period; all Customer Care Representative's participate in mandatory weekly continuing education sessions as well as ad hoc sessions as needed. These sessions ensure frontline staff stay abreast of new and changing regulations, so they may continue to deliver TASC's right-touch service model.

Qualifications

- Superior professional verbal and written communication skills
- Demonstrated excellence in navigating stressful or confrontational situations
- Attention to detail while processing high levels of output in a fast-paced environment
- Ability to quickly identify and resolve problems

For EBD, TASC trains customer care staff on the unique aspects of EBD's program including claims, funding, enrollment procedures, payroll transmission, special requirements and plan specifics. Quick reference documents containing important details about EBD's plan are provided to staff. Additionally, EBD's account within TASC's system will be flagged with special handling information to alert staff of the unique Plan parameters any time a EBD related call is received.

E. Provide information pertaining to how your company staffs its customer service department. At a minimum include information on the following:

1. Number of employees per shift

Number of employees scheduled per shift varies based on peak or non-peak season. TASC employs between 90 and 130 representatives. Shifts begin at 7:00 a.m. CST with 30 min interval shifts 7:30 a.m. – 10:30 a.m.

2. Number of shifts

Shifts begin at 7:00 a.m. CST with 30 min interval shifts 7:30 a.m. – 10:30 a.m. (shifts 7:00am, 7:30, 8:00...10:30).

3. Staff available during 11:00 a.m.-1:00 p.m. CST

Number of employees scheduled per shift varies based on peak or non-peak season. TASC employs between 90 and 130 representatives. All staffing requirements are adjusted based upon Service Contract agreement and desired Service Levels. Workforce Management tools provide trending and interval fluctuations to adjust staffing requirements across all intervals.

4. The number of Spanish speaking customer service staff

A minimum of 10 Spanish speaking customer service staff are available at any time.

5. Office location

2302 International Lane, Madison, WI 53704.

6. Ratio of customer service staff per 1000 Members

0.14:1000

F. Provide detailed information regarding the customer service team that will have direct contact with Members/Plan Participants. Describe the customer service assistance and the year-end tax filing forms that will be provided to Members including:**1. Tax Form 8889**

As the Participant fully owns the individual HSA and is liable for withdrawals made from their account; the Participant is responsible for declaring non-qualified distributions on Form 8889 attached to their 1040 Federal tax form.

2. 1099-SA

TASC's banking partner, HealthCare Bank, reports gross distributions on form 1099-SA if distribution activity in the prior Plan Year. This Form is mailed to the Participants home address in January and is also made available online.

3. 5498-SA

TASC's banking partner, HealthCare Bank, reports gross distributions on form 1099-SA if distribution activity in the prior Plan Year. This Form is mailed to the Participants home address in January and is also made available online.

G. Describe your company's abilities in and experience with providing comprehensive customer service to clients.

In addition to your dedicated account management team, TASC prides itself on industry-leading customer care. TASC's friendly live Customer Care Representatives are available via telephone from 8:00 AM – 5:00 PM in all US time zones, local time, Monday through Friday.

In addition, we offer multiple self-service tools for Clients and Participants, available 24/7/365.

- Interactive Voice Response (IVR) system

- Text messaging (SMS)
- Mobile app
- MyTASC online portal
- MyService Center for employers

TASC maintains a sophisticated telephone system which allows for “priority” routing, where calls are routed based on customer and product based on phone number. We also employ geographically dispersed customer care associates across the nation to serve each time zone and back up our services in case of severe weather conditions. TASC employs approximately 90 Customer Care Representatives year round. TASC has a plan for seasonal and peak volume periods to ensure our commitment to provide excellent customer service during the critical times in the Plan year. TASC’ structured yet flexible workforce allows us to provide cost effective administration without compromising the quality of customer service we pride ourselves on.

H. Describe your company’s phone system’s automated functionality including what information is accessible to Members.

Participants can access information from TASC’s Interactive Voice Response (IVR) system by calling us at (800) 422-4661 at any time 24/7/365. Information available includes:

- Account Balances
- Claim information on the most recent 5 claims

E.7 Education and Enrollment Services

A. Describe the procedures your company uses to increase employee participation levels for programs similar to the ARCap and HSA Programs. At a minimum, provide the following information:

1. Your company’s use of mass mailings, targeted marketing, and individual meetings with employees to increase participation

Here are some components of a highly successful communication plan TASC developed with a large public employer:

- Email blasts to employees
- Custom landing page with custom Participant materials, forms, guides, flyers and brochures in one place
- Flyers to Dependent Care Participants, encouraging participation in the medical FSA for no additional monthly fee or cost
- Direct mail campaigns to employee audiences whose job duties which do not include regular computer access such as bus drivers or janitors
- Feature articles in a Client newsletter during open enrollment
- Payroll stuffers (if paper checks are delivered)
- Incentives for employees who attend benefit fairs or open enrollment meetings; for example, our client the University of Alabama combines a benefit fair with the employee’s annual health/wellness check which is required to receive a discount on another benefit
- Benefit fairs held at various worksites so employees do not have to travel to a central location

- Consistent attendance at benefit fairs with TASC employees onsite to answer questions and distribute educational materials
- Produced HSA and FSA specific participant education videos hosted on the custom landing page prior to open enrollment
- A client email campaign to promote the TASC Mobile App

2. In electronic format (such as a CD or flash drive) provide samples of your company's Member communication pieces used to communicate the advantages and benefits of participation in a Health Savings Account and Flexible Spending Account.

Examples of member communication pieces used to communicate the advantages and benefits HSA and FSA participation and procedures are provided electronically, under separate cover, in Ancillary Information Exhibit – Member Communications.

B. Provide details regarding the increase in participation levels other clients of your company have experienced for similar Programs and how those increases were realized. Provide the projected increases in participation over the next three (3) years for the ARCap and HSA Programs using similar strategies.

*The information in this section is **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted copy.*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]		[REDACTED]		[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- [REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

- [REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
- [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

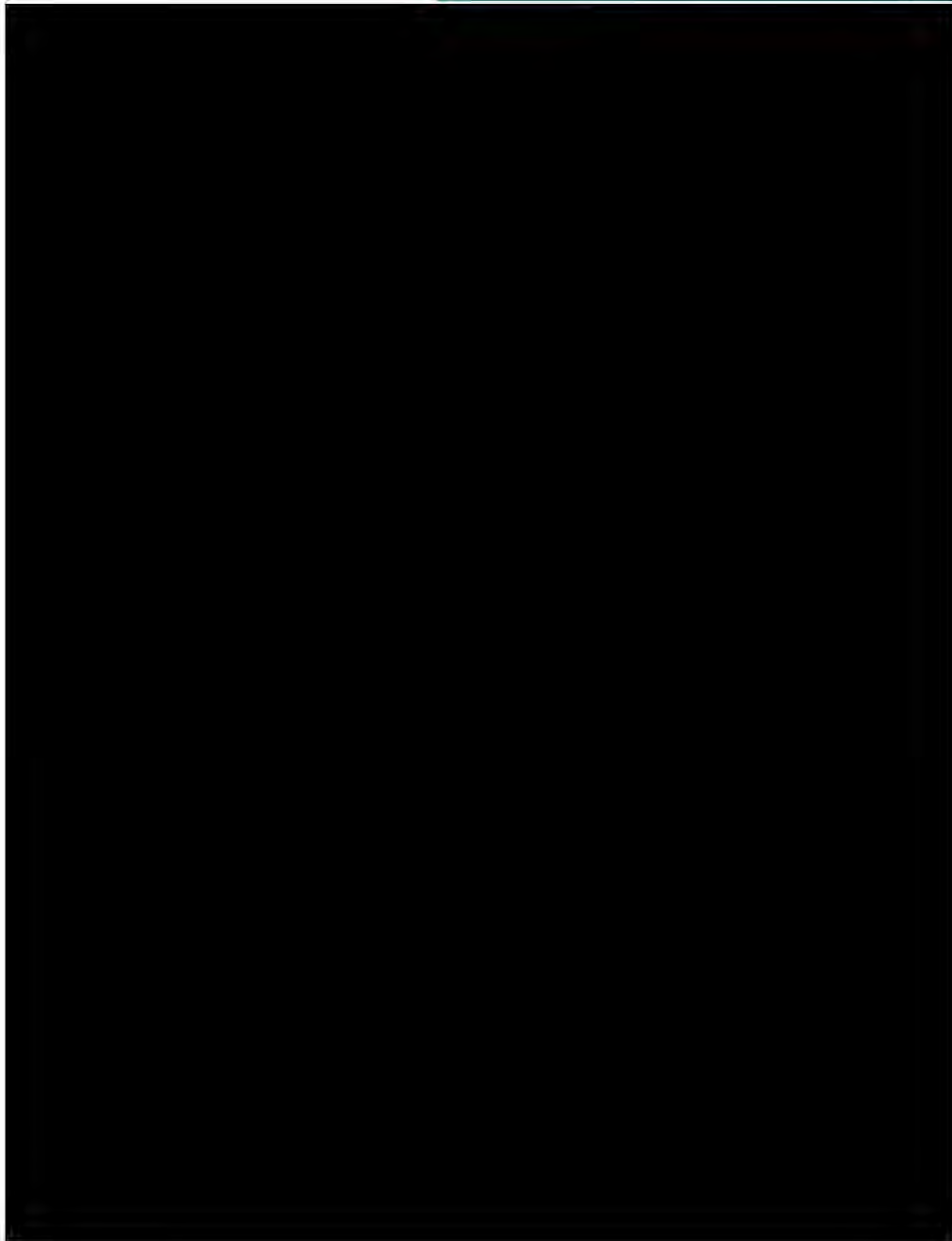
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

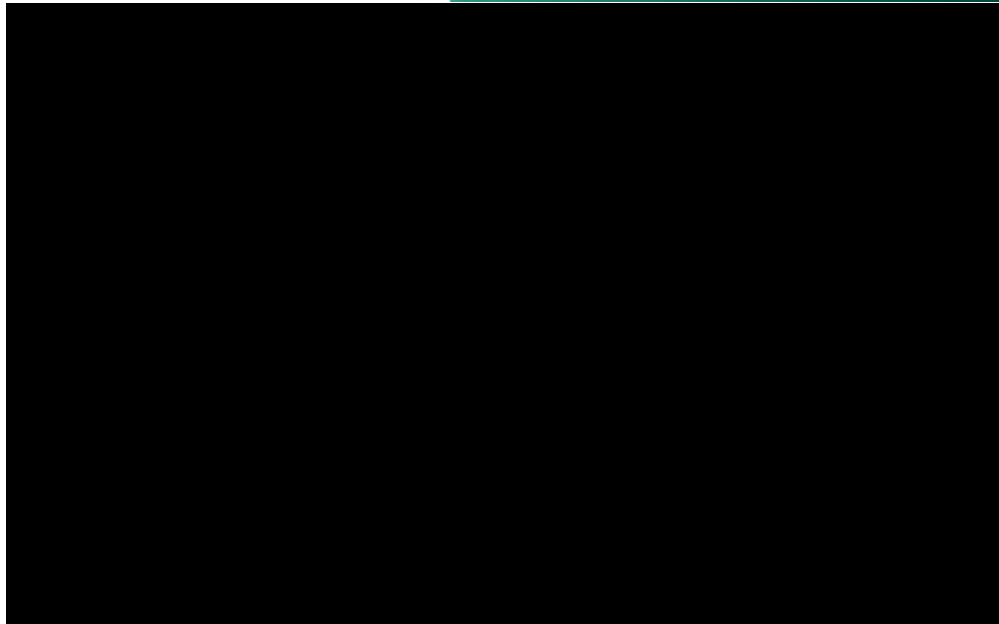
- [REDACTED]
- [REDACTED]
[REDACTED]
[REDACTED]
 - [REDACTED]
[REDACTED]
 - [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]





C. Describe your company's education and enrollment process in detail. At a minimum include the following in your response:

1. Staff responsible for processing and completing enrollments including their experience and qualifications

Claims processors are responsible for performing processing activities within the Customer Service Department. These activities may include data entry, scanning, mail, bin management and auditing. Secondary responsibilities include special projects as assigned and back up phone support as required.

Minimum qualifications for the claim processor position are: education or equivalency to a high school diploma and a minimum of one year of experience working in a professional office environment.

The training process for our claim processors involves individual training with experienced Subject Matter Experts and detailed work manuals which provide new processors with step by step descriptions of the process. Once new processors have become familiar with the process, they are placed into a production environment with the mentorship of a Subject Matter Expert. New processors undergo strict Quality Auditing of their work until their proficiency is proven. After completing 90 days of employment, all employees receive a 90 Day Performance Evaluation. This review process provides Supervisors and Managers with an opportunity to evaluate a newly-hired employee's performance. As part of this process, employees are asked to provide TASC with feedback on their training and initial experiences.

2. Brochures, benefit election and other forms, and/or other information used in the enrollment process. Provide the information in electronic format only such as a CD or flash drive.

TASC recognizes the importance of clear, concise and effective enrollment materials to the success of the program. TASC produces a wide array of standard enrollment forms and information materials to be used in the enrollment process. TASC understands EBD has faced challenges in the past with enrollment materials provided by other vendors.

All marketing and education materials will be fully customized with EBD's logo, name, and custom language. All materials will comply with EBD's brand guidelines for vendors and will follow **EBD's approval process** before release.

TASC creates branded versions of our virtually unlimited education pieces for the EBD. Standard communication pieces are customized in terms of font, paper, layout, etc. TASC's dedicated Marketing and Communications Liaison works collaboratively with the EBD to create new content specifically designed for the EBD's purposes.

Examples of brochures, benefit election and other forms or information used in the enrollment process have been provided electronically, under separate cover, in Ancillary Information Exhibit – TASC Enrollment Materials.

3. Education and training materials designed and produced by your company and used in the past to educate your company's clients, Members, Plan Participants, and other applicable designated parties. Provide this information in electronic format only such as on a CD or flash drive.

TASC's library of informational materials is vast. For EBD, TASC develops **custom participant educational materials annually** to be used at open enrollment, benefit fairs and throughout the plan year via web portal. Materials include brochures, forms, poster, websites, videos, online calculators, email blasts, frequently asked questions (FAQs) PowerPoint presentations and more. TASC's is proposing a **dedicated Marketing and Communications Liaison** to EBD to lead the development of any custom materials EBD requires.

Examples of education and training materials used to educate Client, Members, Plan Participants and other applicable designated parties been provided electronically, under separate cover, in Ancillary Information Exhibit – TASC Education Materials.

D. Describe the meeting styles previously used by your company during Open Enrollment sessions. Describe the advantages and disadvantages of both the presentation style and benefit fair style formats.

TASC excels at both open enrollment meetings and benefit fairs. We work closely with EBD to identify a mutually agreeable approach the in pre-enrollment season to discuss best practices, what has worked and what hasn't worked in the past.

TASC will work with EBD to confirm and deliver a successful open enrollment process; multiple location meetings or benefit fairs, participant education and more. TASC recommends mandatory open enrollment meetings as it allows for questions and answers and distribution of education pieces' instrumental to increase participation.

The con of optional meetings is low attendance at a meetings or benefit fairs. Employees are often observed perusing the various vendor tables and not much time is spent discussing benefits 1:1 with employees.

- To maximize attendance at benefit fairs or open enrollment meetings clients will offer an incentive to employees to attend
 - For example, our client the University of Alabama combines the benefit fair, with the employee's annual health/wellness check that is a requirement for them to receive a discount on another benefit
- Another TASC client, Ramsey County, offers several benefit fairs at various work sites so employees do not have to travel to a central location which results in higher attendance.
- TASC Client Account Executive and dedicated Account Manager for Ramsey County collaborated on a campaign to promote the TASC Mobile App through a client email campaign which resulted in higher visibility of the benefit and increased participation.

E. Describe the Member self-service capabilities offered by your company including any internet based / online methods of enrollment.

TASC's **numerous self- service options** offer Participants convenience and accessibility and are proven drivers of Participant engagement and satisfaction. With TASC's wide variety of self-service options Participants have the **flexibility** to utilize the feature best suited to their needs. Self-service options include:

- TASC Mobile App
- Online Portal
- Interactive Voice Response System
- Text Messaging (FSA)
- TASC Card

TASC Mobile App

Mobile app technology is the standard that Participants expect for **fast and convenient service**. TASC mobile capabilities provide **real time access** to securely check balances, view transaction details, access plan information, request a reimbursement, and submit substantiation...all while on the go!

TASC Mobile App features include:

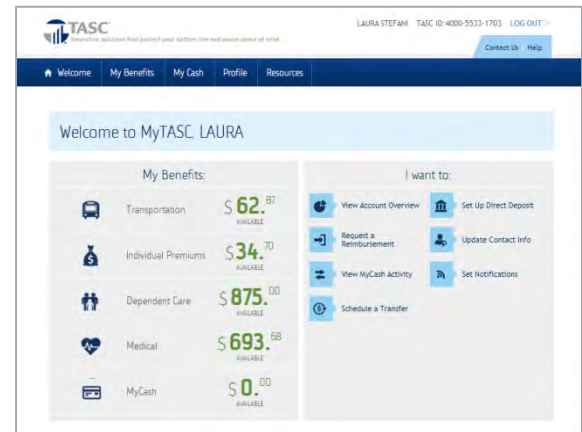
- **FREE** download from Amazon, Apple® App Store, or Android Market™ for smartphone or tablet.
- **Secure** login with current MyTASC username and password
- Login memory for fast access.
- **Real-time** account balances, for both active and closing plans.
- **Submit requests for reimbursement** directly from mobile device.
- Snap and save **substantiation photos using phone camera**
- Help screen for troubleshooting.
- **Secure account access** through Secure Socket Layer (SSL) encryption over the Internet.
- View TASC Card MyCash **balance and transaction history**, including deposits, transfers, and purchases
- View Plan information, plan eligibility dates, reimbursement and contribution totals, and annual election amounts
- Ability to view historic claim details, such as service date, provider, and payment amount



Website

TASC's online portal is a robust and powerful self-service system which gives Participants the freedom to manage their account 24/7/365. TASC website functionality includes:

- **Enroll in program and create account profile**
- Securely view account information such as transaction details, transaction history, Plan details, and **important dates**
- Ability to request a reimbursement and submit substantiation
- View account alerts and messages
- Change password
- Update demographic information (e.g. name, address, and phone number)
- Manage **direct deposit** preferences
- Change text messaging/email notification preferences
- Manage debit card including:
 - Ordering replacement and dependent cards
 - View recent card transactions
 - Information on where and how to use the card
- Download important forms
- View all claims activity
- Look up an eligible expense
- Submit **request for service**
- ...and more!



Interactive Voice Response

Participants can access information from TASC's Interactive Voice Response (IVR) system by calling us at (800) 422-4661 at any time 24/7/365. Information available includes:

- Account Balances
- Claim information on the most recent 5 claims

Text Messaging (SMS)

TASC Mobile Text Messaging (SMS) offers **instant interactive communication method** for FSA Participants. Mobile Text Messaging Features include:

- Online activation through TASC website
- 2-way **instant communication** to obtain account information
- Request current FSA account balance
- Request a reimbursement (RFR)
- Receive automated reimbursement status alerts

TASC Card

The TASC Card is the **fastest and easiest** way for Participants to pay for eligible expenses. Participants **love swipe-and-go convenience** of the TASC Card. Participants can use the TASC Card to purchase prescriptions, make a copayment at the doctor's office or through their health insurance

online portal, buy contacts and more. Using the TASC Card **eliminates the hassle** of submitting claim forms as most transactions are automatically adjudicated at checkout. The TASC Card is **completely integrated** with the online portal making it even easier for the Participant to manager their again anytime.

E.8 Claims Administration

A. Provide a detailed description of your company's claims submission process and claims adjudication software systems. Include information regarding automated and manual checks for non-eligible expenses.

TASC offers a flexible experience for the Participant and allows for claims to be submitted via paper, fax, online upload, mobile app, and picture to pay. TASC is known for having **the simplest, fastest, and most user friendly reimbursement process** in the industry due to our TASC Card and MyCash Feature. **TASC process 98% of claims within 24 hours.** Substantiation ease and innovative technology are leading drivers for our Participant satisfaction. For those who prefer limited technology interaction, TASC offers direct deposit or check reimbursement as well.

TASC's Mobile and online claim submission are the **simplest and quickest method** to submit a claim. Participants simply enter the required information as prompted and attach or upload the receipt (substantiation). The Mobile app features a camera function for quick and easy substantiation upload.

Faxed or mailed claims are imaged with verification software, reviewed for accuracy by a claim specialist and securely stored. The claim is entered in the MyTASC system for automatic processing and online review. Claims requiring review are routed to Claims Processors who approve, deny or send a request for additional information.

For many Participants, **carrier feeds** streamline and simplify the reimbursement process. TASC works with dozens of regional and national carriers **seamlessly transferring claims data** for reimbursement in accordance with the Plan design. TASC establishes and receives an automatic claim feed from the health insurance provider with unpaid portions of the Participant's medical claims. TASC automatically reimburses claims to the Participant with **no action required** from the Participant to receive reimbursement.

TASC Card requests are processed based on Merchant Classification Codes (MCC) & Inventory Information Approval System (IIAS). Each merchant's credit card machine is coded to identify what "type" of a merchant they are. The TASC Card approves only expenses which occurred at an eligible merchant and for an eligible item. Participants attempting to use their card at an ineligible merchant will receive a denial at the register and communication from TASC requesting additional information to resolve the transaction. **Every card transaction is validated** to ensure compliance with the latest IRS Regulations.

Nothing frustrates Participants more than having their **card declined** at the point of sale. TASC recognizes how this impacts both Participant satisfaction and ultimately, their continued use of the program. To **eliminate the frustration and embarrassment** of card declines, TASC is pleased to offer Decline Protection to EBD. Decline Protection operates much like a financial institution's

overdraft protection, allowing Participants to make a purchase even though they may not have enough funds in their benefit account to cover the transaction.

When a Participant who **opts-in** to Decline Protection attempts to make a purchase but does not have funds in their account to completely fund the transaction, TASC advances the remaining money to allow the card transaction to be authorized. The following day, TASC debits the Participants bank account for the amount of the advanced funds.

To **opt-in** to Decline Protection, Participants enter their banking information through TASC's secure online portal and set the maximum amount of money they authorize TASC to withdraw. Limits will not exceed the Plan wide maximum set by EBD or the system maximum set by TASC.

Reimbursement

TASC has the simplest and fastest reimbursement process in the business. Requests for Reimbursement are processed daily and payments are initiated within 48 to 72 hours of complete and accurate requests. Direct deposits and checks are initiated the following business day.

Claims Review

Claims are reviewed first by an automated system which flags irregular claims for further review and automatically denies claims which do not meet Plan eligibility requirements or have available funds. Claims requiring additional review are routed to claim processors who evaluate the request and approve, deny or send the Participant a request for additional information.

Appeals

TASC's appeals process strictly follows IRS regulations as well as any special Plan provisions. Participants who disagree with a FSA claim decision must send a written appeal to TASC which may be mailed, faxed or submitted online. TASC reviews and notifies the Participant of the appeal decision within 60 days of the receipt of the appeal.

Notifications

Participants can choose to receive nearly instant notifications of claim and payment status by electing text message or email notification. Alerts and messages are also available online.

B. Provide a flowchart to demonstrate the processing of each type of account based claim (HSA, GPFS, LPFS, DCAP, COBRA). Indicate each manual or computer system interface from the time a claim is received until it is paid, rejected, or denied. Describe each step on the flowchart including the following:

- 1. Any sorting or batching conventions**
- 2. Method of establishing inventory**
- 3. Assignment of claim numbers**
- 4. Initial inspection for completeness**

TASC Flowcharts are **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

Requested flowcharts have been provided as [Exhibit G – TASC Flowcharts](#).

C. Provide the location of the facility where claims are processed and paid. Describe your company's system for monitoring claims administration performance.

Claims are processed from our headquarters located in Madison, WI.

TASC's claims process is **highly automated** which results in near perfect financial and processing accuracy. Virtually all Requests for Reimbursement are received through electronic claim submission or via the TASC Card and are **automatically adjudicated** without manual intervention. TASC's proprietary software utilizes a highly specialized analysis framework which evaluates a number of submission parameters including date eligibility, Plan maximums, current yearly reimbursement total, election amount, co-pay matching, recurring expense logic and duplicate-checking logic which flags a claim as a duplicate if the date of service and amount of the claim are identical to a separate Request for Reimbursement.

If a questionable payment or transaction is identified the TASC system will automatically route the claim to a skilled *Quality Assurance Representative* for further review or issue an automatic denial and notice. All claims requiring adjustment or those being appealed are independently reviewed by our *Quality Assurance Representative* to ensure the accuracy of the adjustment or initial denial.

Upon review, the *Quality Assurance Representative* will determine if additional information is needed to resolve the eligibility of the request or if the information submitted supports a denial; the processor will then issue **communication to the Participant** requesting additional information or provide an explanation of the denial along with instructions for appeal.

Debit card and auto-adjudication audits are conducted on a daily basis to ensure the accuracy of file feeds. Exception reports are generated and reviewed should any errors occur.

D. Provide a detailed description of the ways Members can electronically store receipts and supporting documentation on-line to support distributions from their HSA. At a minimum, include the following information:

1. The length of time images are stored in your company's system

2. A description of how and when images are archived

3. A description of how Members would access the archived documentation

TASC offers an expense tracker feature for accountholders to upload their receipts for eligible medical expenses through our "upload receipt feature" in our Participant portal. Images are archived when the Participant completes a simple form field including the following fields: expense description, date of service, total billed amount, expense amount, provider, expense (with a drop down menu of choices detail, dependent care, health care premium, laboratory, medical, pharmacy, vision and other), recipient/patient, and notes.

Our system accepts images of receipts in the following formats: JPG, GIF, or PDF format up to 2 MB in size.

The document remains for the life of their account as long as it is active/open. Participants are able to access their archived documentation quickly by logging into their online account.

E. Detail the percentage of claims related Member complaints received by your company during 2016. At a minimum include the following information:

1. Average length of time between receipt of complaint and response

Average time to respond to complaints is one (1) business day or less.

2. Top three (3) types of complaints

Top three complaints received include claim denials, card suspension issues, missing faxed claim forms.

3. Steps taken for resolution

TASC has multiple avenues for issue resolution. Most commonly, escalated service issues, are reported through our Customer Care Center or an assigned Relationship Manager. They will typically involve our team of Senior Specialists who ensure any situation is correctly and efficiently addressed.

It is the intent of TASC, that problems do not become common. To this end, our Corrective Action Report (CAR) is used by all TASC employees to process and document all complaints, issues, areas of opportunity for improvement experienced by our Client's and Participants. Once submitted the CAR is assigned to a member of our Customer Satisfaction team who works with all parties internally and externally to ensure that the Correction Action occurs, is communicated, the Root Cause is identified and the Preventative Action is documented. All Preventative Action is monitored by specialists and reported on either in an emergent basis or in the bi-weekly Quality Assurance Committee meeting.

EBD will be able to view all service requests 24/7/365 through our newly released MyService Center online portal. This innovative tool provides a comprehensive summary of plan activity including Service Requests, reports and service activity for each of our products providing EBD unprecedented transparency into ongoing plan administration.

F. Provide a detailed description of how Members may view claim detail information and an accurate, real-time account balance using the following methods:

1. Member website/online

TASC's robust and powerful self-service system allows Participants and Clients to view account statements, balances, submit new and view pending claims and view claim history. Additionally, easy online enrollment claims submission, direct deposit changes, client reports, plan documents and address updates. Real time Participant's account activity and balances may be accessed and downloaded online anytime.

TASC's Mobile and text messaging options offer Participants flexibility to securely check balances, view transaction details, transfer funds, make a claim, and submit substantiation while on the go.

The MyTASC portal offers robust reporting and features to all Participants for current and previous plan years. A few examples include;

- **Account Summary** – see detailed information including Annual Election amounts, Carry Over, all account transactions, as well as a unique **Participant Timeline** that illustrates helpful dates related to the plan year including last day for spending and last day to submit claims based on the plan's Run-Out, Carryover or Grace Period rules:

- **Reimbursements / Claim Status Information** – Details regarding reimbursement requests for the plan year including reimbursement date, amount, method, status and substantiation status.
- **Contributions** – Details all anticipated Plan contributions including date, benefit type, amount and status.
- **Special Transactions** – Details any special contribution or reimbursement transactions processed to Participant
- **And More**....additional plan details and administrative capability included as well.

2. Automated phone system/IVR

Participants can access information from TASC's Interactive Voice Response (IVR) system by calling us at (800) 422-4661 at any time 24/7/365. Information available includes:

- Account Balances
- Claim information on the most recent 5 claims

3. Customer Service

In addition to your dedicated account management team, TASC prides itself on industry-leading customer care. TASC's friendly live Customer Care Representatives are available via telephone from 8:00 AM – 5:00 PM in all US time zones, local time, Monday through Friday.

G. Provide the percentage of claims suspended for any reason in 2016. Provide the top three (3) reasons for suspension.

TASC processed **8,897,065** FSA claims in 2016 and experienced under 1% of claims being suspended with an actual **0.465% rate of suspension**. The top three reasons for suspension were invalid date of service, service date outside of eligibility dates and illegible substantiation.

H. Provide a detailed description of the different ways a Member can submit a claim. At a minimum, include information regarding the following methods:

1. Mobile Application (i.e. iPhone, iPad, or Android applications)

2. Website

3. Fax and/or paper

TASC offers a flexible experience for the Participant and allows for claims to be submitted via paper, fax, online upload, mobile app, and picture to pay. TASC is known for having **the simplest, fastest, and most user friendly reimbursement process** in the industry due to our TASC Card and MyCash Feature. **TASC process 98% of claims within 24 hours**. Substantiation ease and innovative technology are leading drivers for our Participant satisfaction. For those who prefer limited technology interaction, TASC offers direct deposit or check reimbursement as well.

TASC's Mobile and online claim submission are the **simplest and quickest method** to submit a claim. Participants simply enter the required information as prompted and attach or upload the receipt (substantiation). The Mobile app features a camera function for quick and easy substantiation upload.

Faxed or mailed claims are imaged with verification software, reviewed for accuracy by a claim specialist and securely stored. The claim is entered in the MyTASC system for automatic processing

and online review. Claims requiring review are routed to Claims Processors who approve, deny or send a request for additional information.

For many Participants, **carrier feeds** streamline and simplify the reimbursement process. TASC works with dozens of regional and national carriers **seamlessly transferring claims data** for reimbursement in accordance with the Plan design. TASC establishes and receives an automatic claim feed from the health insurance provider with unpaid portions of the Participant's medical claims. TASC automatically reimburses claims to the Participant with **no action required** from the Participant to receive reimbursement.

TASC Card requests are processed based on Merchant Classification Codes (MCC) & Inventory Information Approval System (IIAS). Each merchant's credit card machine is coded to identify what "type" of a merchant they are. The TASC Card approves only expenses which occurred at an eligible merchant and for an eligible item. Participants attempting to use their card at an ineligible merchant will receive a denial at the register and communication from TASC requesting additional information to resolve the transaction. **Every card transaction is validated** to ensure compliance with the latest IRS Regulations.

I. Provide a detailed description of the methods used to process pending claims, including the following:

1. Follow-up with Members in order to obtain information applicable to claims

Denied claims are managed as follows:

- The Participant receives a denial notification electronically via email and/or text message. The notice also is posted on the web portal. The Participant may receive the notice via mail, when necessary.
- The notification includes details regarding the reason for denial, action needed, and appeals instructions.
- The denial detail is available for viewing on the web portal at any time.

2. Screening of claims to avoid payment duplication

The platform determines duplicate risk between all claims regardless of method of entry (i.e., manual claims, imported claims files, (and debit card transactions). The review is based on:

- Type of claim across all plans (e.g., HRA, FSA, or other health-expense-eligible plans)
- Date of service
- Amount of claim

These items are flagged for additional review and verification to avoid payment of duplicate claims. The duplicate flag is visible during manual claim entry, as well as on the search screen and claims detail screen, with links to suspected duplicate claim(s) if applicable for review and/or clearing.

3. Procedures to assure consistency of claims payment in accordance with the Plan

TASC's claims process is **highly automated** which results in near perfect financial and processing accuracy. Virtually all Requests for Reimbursement are received through electronic claim submission or via the TASC Card and are **automatically adjudicated** without manual intervention. TASC's

proprietary software utilizes a highly specialized analysis framework which evaluates a number of submission parameters including date eligibility, Plan maximums, current yearly reimbursement total, election amount, co-pay matching, recurring expense logic and duplicate-checking logic which flags a claim as a duplicate if the date of service and amount of the claim are identical to a separate Request for Reimbursement.

If a questionable payment or transaction is identified the TASC system will automatically route the claim to a skilled *Quality Assurance Representative* for further review or issue an automatic denial and notice. All claims requiring adjustment or those being appealed are independently reviewed by our *Quality Assurance Representative* to ensure the accuracy of the adjustment or initial denial.

Upon review, the *Quality Assurance Representative* will determine if additional information is needed to resolve the eligibility of the request or if the information submitted supports a denial; the processor will then issue **communication to the Participant** requesting additional information or provide an explanation of the denial along with instructions for appeal.

Debit card and auto-adjudication audits are conducted on a daily basis to ensure the accuracy of file feeds. Exception reports are generated and reviewed should any errors occur.

J. Based on your company's experience, describe the best method to facilitate the collection of funds from a large employer in order for your company to pay claims. Describe your company's process for issuing claims payments to Members and the turnaround time for claims to be processed and paid.

TASC is a market leader in the Third Party Administration of Flexible Spending Arrangements, due in part to our unique **advanced funding arrangement** based on the IRS Uniform Coverage Rule. In this advanced funding arrangement, we provide Participants with access to their entire annual health care election at the beginning of the Plan Year on behalf of the State. For as long as the Participant is employed during the Plan Year, TASC will only collect the predetermined employee contribution each pay period from the employer. TASC will cover claim payouts of any amount up to the participant's yearly elected amount, even if TASC has not yet received adequate contributions. At the end of the Plan Year, TASC will credit any unused contributions to the employer's account. We have found this funding arrangement to be extraordinarily beneficial for plan sponsors as it reduces unanticipated capital demands for advance funding of claims and the "time value of money" associated with the advanced funds.

In addition to our **contribution funding method** we also offer a **Point of Claims (POC) funding** method. This method requires employers to withhold contributions from employee paychecks and keep them in the employer's own account. TASC will then request payment from the employer on a daily basis for that day's processed claims. Payment request frequency is determined by the employer during plan set up.

During the program kick-off meeting EBD and TASC verify the schedule of fund transfers by ACH. Based upon the mutually agreed to schedule, TASC pulls funds via ACH from EBD designated account and remitted to the designated fiduciary within 24 hours of TASC's receipt.

TASC maintains a **daily interface** with our HSA trustee and ensures that Participant's HSA account contributions are processed and posted within 3 business days.

Reimbursement

TASC has the simplest and fastest reimbursement process in the business. Requests for Reimbursement are processed daily and payments are initiated within 48 to 72 hours of complete and accurate requests. Direct deposits and checks are initiated the following business day.

K. Describe how your company manages deductions for Members who are utilizing the Family and Medical Leave Act (FMLA) and/or Leave Without Pay (LWOP).

Below are the various ways to handle leaves in our system:

1. The employer may continue sending the participant's deductions to keep the account active.
2. The employer may stop sending deductions while the participant is out on leave and the benefit is terminated. Then once the participant returns from leave, the participant is added with a new account for their new coverage period.
3. Or the employer may zero out the deductions and keep the account active while the participant is on leave. Once the participant returns from leave, the employer increases the deductions to make up the missed payrolls or reduces the annual election amount to reflect the paid coverage period.

L. Describe your company's capabilities of processing a large number of claims and the turnaround time typically experienced. Include a description of any time-saving technological approaches used by your company and the number of claims processed by your company in 2016.

In 2016, with over **27,000 FSA and HSA clients** and **over 570,000 Participants** we are extremely capable and experienced in processing a large number of claims. In 2016, TASC processed **8,897,065 FSA claims**. Today, TASC has over 73,000 clients and over 1,000,000 participants.

M. Describe how your company administers a claims grace period.

TASC's system processes the grace period automatically. For claims submitted during the grace period the system automatically checks the previous plan year account for available funds. Claims are paid first from the previous plan year until no balance remains. Any balance remaining on the claim is paid from the Participant's current plan year account.

At the end of the Grace Period, TASC reconciles all Requests for Reimbursement and make any necessary adjustments to ensure that the FSA fund balances are used to maximize the Participant's tax benefit.

Participants can view both the current and prior plan year balance on the TASC online portal.

N. Describe your company's preferred approach of requesting supporting documentation from a Member. Include suggestions for final collection from employee payroll with the understanding that EBD considers payroll adjustment/deduction the collection method of last resort.

If we are unable to substantiate the transaction automatically after applying all the IRS-approved methods, the Participant receives a letter or email requesting a receipt within 180 days to ensure compliance with IRS regulations.

Participants are alerted to the need for any outstanding receipts via email notification, on the message center on the mobile app, via text message or on the MyTASC Portal.

In the event an overpayment is discovered which results in a Participant yearly negative balance **TASC contacts the Participant in writing** and request they submit payment in the amount of the overpayment. Participants are informed they must return the overpaid funds or the employer will be allowed to add the overpaid funds onto the Participant's W-2 form at the end of the year, establishing it as taxable income. The Participant is also advised that their TASC Card has been temporarily inactivated and will be reactivated upon resolution of the overpayment.

Per IRS regulations, Participants can: 1) submit documentation for their card transaction, 2) send in a check payment, or 3) send in a replacement receipt (Request Substitution). A Request Substitution is made when a Participant replaces (trades) the unsubstantiated transaction with an eligible receipt for an expenditure not previously reimbursed under any other Plan.

E.9 Key Personnel and Staffing

A. Provide the credentials including a resume of the dedicated account manager your company will assign to the EBD account. Detail the authorizations, job description, and responsibilities the dedicated account manager will have while managing the EBD account. If the dedicated account manager is not currently known, detail the credentials your company will require of a dedicated account manager and the authorizations, job description, and responsibilities your company will assign to a dedicated account manager for the EBD account if your company is awarded a contract.

For account and relationship management, EBD receives:

- A unique email address such as StateofAR@tasconline.com or EBD@tasconline.com
- A unique extension for the client primary contacts for entry into TASC
- The EBD Team of Account Managers with decades of benefit administration experience and Team Supervisor who owns the account within the RM Team
- Dedicated Marketing and Communications Liaison

Account Management Team: Team Arkansas!

If we gave you just one Account Manager, you would be left scrambling every time that person was on vacation. Instead, TASC gives you a whole team to make sure your account is never unattended!

Amanda Odom will serve as your primary Account Manager and primary contact, with assistance from two peers on Team Arkansas who are kept informed of State needs and cross-trained on your unique requirements. Team Arkansas will work in partnership with a Supervisor dedicated solely to Team Arkansas and a Director of Relationship Management.

In addition, TASC is assigning a Client Account Executive who will touch base quarterly and meet online or in person with EBD annually to review account activity and discuss any needs that have changed during the year. The Client Account Executive reports up to the Executive Sponsor for this project, Nisha Weyker, Executive Vice President, Large Market & Sales Operations.

All resources assigned to the state are highly experienced and known for their success with clients the size of EBD.

Amanda Odom

Dedicated Account Manager / Senior Account Manager

Amanda, your primary contact, understands your goals and supports your satisfaction. At TASC, the Account Manager has the authority to answer any questions and to take immediate action to address any issues related to the account. The goal, always, is a delighted client.

TASC's Account Managers are dedicated, experienced professionals, trained in all of TASC's service offerings and able to work with different departments within TASC to successfully support your benefit programs. Your Account Manager:

- Works with the Client Account Executive, Shannon Strom, to schedule onsite attendance at EBD's benefit fairs
- Work with TASC internal resources and EBD to schedule courses, online and on site
- Works closely with EBD to ensure client satisfaction
- Coordinates and collaborates with the Client Account Executive, Shannon Strom, and other Account Managers to review EBD requirements and ensure they are met
- Ensures proper routing for all processing
- Follows-up on issues to ensure completion and "closes the loop"
- Maintains documentation and communication of issues
- Owns the renewal process to ensure success
- Escalates issues, recommends resolution and is on top of continuous improvement efforts
- Establishes and maintains relationship with all team members to ensure your needs are met
- Works closely with our Compliance and Quality Services departments

Amanda is based in **Batesville, AR** and joined TASC in 2009, and has held a Senior Relationship Management role since joining. She ensures a strong working relationship with all team members for assigned Clients including implementation specialists, executives, sales, service and management. Amanda brings with her vast experience and depth of knowledge in multiple arenas. Amanda successfully serves some of our largest groups including public and private entities, being their point of contact for all products including: FSA, COBRA, and Retiree Billing. Amanda attended University of Arkansas Community College in Batesville, AR. In her free time, she enjoys hunting, family road trips and church activities.

Linda Branscum, Team Arkansas

Linda began working for TASC in 2009. She attended Bremerton Business College and is currently taking continuing education classes. Prior to TASC, Linda worked for another TPA for 14 years. She is a Certified Instructor in Flexible Spending Compensation and has attended several annual

conferences with ECFC. In her free time, she volunteers for United Way, Habitat for Humanity and American Cancer Society. She also enjoys home decorating projects and spending time with her family.

Angelly Tejada, Team Arkansas

Angelly Tejada began working for TASC in 2009. She attended Antillean College in Puerto Rico, where she graduated with a degree in Business Administration. Prior to TASC, Angelly worked for Health Care Provider for 6 years. She spends her free time volunteering in her community at the local food bank and various other organizations. She also enjoys spending time with her family and exercising.

Teri Dunaway

Account Manager Supervisor

Terri came to TASC in 2007. During her tenure, she has successfully managed some of TASC's largest clients including private and public entities.

With decades of experience, Terri carries a vast background in Benefit Administration, Human Resources, and Payroll. Prior to joining TASC she served as a Human Resources Specialist for a large manufacturing company and a Human Resource Generalist for a commercial electrical contractor.

Teri works with the Account Managers to make sure they have the tools to serve. She also will attend the monthly meetings with your Account Manager at least four times a year (quarterly). She can serve as a point of escalation or can be contacted if EBD requires resources or services Team Arkansas hasn't delivered.

Dedicated Marketing and Communications Liaison

Recognizing the importance of EBD's marketing and communication strategy, TASC provides a dedicated Marketing and Communications Liaison. TASC's experienced Marketing and Communications Liaison works collaboratively with EBD staff to develop a comprehensive marketing plan to increase participation in the Flexible Benefits Plan each year. The Liaison recommends specific communications plans and goals in accordance with the overall management of the program and reports on the targeted metrics, status updates and operational updates during the quarterly communications call. The Liaison is also responsible for ensuring all materials are cobranded according to EBD's brand guidelines for vendors.

Flora Acosta

Director of Relationship Management; Manager of Account Manager Supervisors

Flora is the Director of Relationship Management, supervises the Account Managers, and is responsible for the overall satisfaction of EBD.

As TASC's Director of Relationship Management, Flora provides oversight for TASC's large client relationships; she focuses on customer satisfaction, cultivating relationships and client retention by ensuring client expectations are met in a timely and accurate manner. With decades of experience in Employee Benefits Administration and Customer Service Management, Flora understands the complexities of your administrative needs and has a natural appreciation for the impact the smallest detail can have in any situation, especially in a fast-paced environment.

Flora joined TASC in 2008. Previously, Flora was the Operations Manager of Cornerstone Administrative Services, LLC. When TASC acquired Cornerstone, Flora became TASC's Premium Services Manager responsible for overseeing multiple teams, including Relationship Management, ERISA, FMLA, and Retiree Billing. Flora holds a Bachelor's Degree in Paralegal studies from Johnson & Wales University. In her spare time, Flora enjoys spending time with her daughters, her dog, traveling, and spending time at the beach. Flora is proudly supports the United Way.

Shannon Strom

Client Account Executive

Shannon is assigned to your account as a dedicated Client Account Executive (CAE). Shannon will manage the total Client relationship and serve as your voice within TASC. Shannon:

- Proactively builds TASC's relationship with your organization
- Partners with Account Manager for planning and project management
- Ensures that your account is successfully transitioned from the Implementation Team to the Relationship Management/Account Management Team
- Checks in with you throughout the year
- Meets with you annually to review your account activity, ensure your satisfaction, and discuss any needs that have emerged
- Brings in sales resources if you need additional TASC services
- Attend enrollment meetings and benefit fairs if needed

Having joined TASC in 2006, Shannon worked as a TASC Account Manager/Relationship Manager before taking her current role. She had three additional years of benefit experience before joining TASC.

Earlier, Shannon volunteered at an orphanage in Mexico for over a year. She still volunteers at the charity's fundraising office in Minnesota. She holds a Bachelor of Arts degree from the College of Saint Benedict in Spanish and Communication.

She is well suited to her current role due to her attention to detail and her ability to nurture relationships with TASC Clients.

Nisha Weyker

Executive Sponsor and Executive Vice President, Large Market & Sales Operations

Nisha Weyker is your Executive Sponsor, responsible for creating visibility for your account within TASC and serving as the highest-ranking escalation path if other resources are unable to immediately resolve any service concerns.

Nisha joined TASC in 2017, in part due to her passion for serving public sector and enterprise Clients. Nisha has an uncanny understanding the needs of the TASC's largest clients. She holds a Bachelor of Applied Science from Loyola University of Chicago. She has an extensive background with over 20 years in the healthcare and insurance industries.

Andy Bartel**Officer Sponsor and Chief Sales Officer**

Andy is EBD's dedicated Officer Sponsor. Andy has over 23 years' experience in the benefits industry and has been with TASC since 1994. Andy is responsible for program oversight, contract performance, accountability and resource management.

Andy leads the TASC sales organization, serves on the TASC Strategy Team, President's Advisory Council, and shares his expertise at TASC Board of Advisors and Inner Circle Meetings. An expert on Flexible Spending Accounts, Health Savings Accounts, and Health Reimbursement Arrangements, Andy regularly conducts education sessions, broker sales training seminars, and Client enrollment meetings, and he has personally recruited hundreds of active TASC producers.

Under Andy's leadership, the Group Sales Division has grown to cover all 50 states, and is served by ever-expanding teams of dedicated sales representatives and Regional Sales Directors. Andy previously served as Executive Vice President of Group Sales, Regional Sales Director, and Sales Manager at TASC.

B. Describe the types and levels of other support staff, such as in the areas of eligibility/Membership, cash disbursement, etc. Provide the location of the support staff by function to be assigned to the EBD account.

We have over 960 full time administrative, professional and support staff available to perform the services required to handle this account. Our staffing model accounts for conversion and call metrics while using historical and predictive information to drive our models. Additionally, at peak times we employ a staff of 'triage' agents to support simple questions and misdirected calls.

Our teams of dedicated, experienced professionals bring over twenty (20) years of progressive qualifications in servicing accounts similar to the State of AR.

C. Detail the staff your company has available to administer and manage the EBD account. Detail the years of experience your company's senior staff has in administering and managing projects similar to this RFP.

TASC has extensive experience administering and managing programs similar in scope to EBD. Please see response to A. above for detailed information on the dedicated account management team proposed for this contract.

D. Describe the staff member(s) responsible for operations, claims, accounting, and privacy/security information. Include the following for the staff member(s) responsible for each department.**1. Name****2. Title****3. Experience and credentials****Michael Herman**

Chief Operating Officer – responsible for operations

Micheal joined the TASC executive team in 2014, after serving as the President of eflexgroup.com. Micheal played a key role in leading the TASC acquisition absorption effort of eflexgroup. Micheal brings to TASC a unique breadth and depth of executive experience in strategic planning, operations

leadership, financial budgeting, forecast and analysis, product management, statistics, change management, information technology, and human capital development.

Before joining eflexgroup in 2013, Micheal served as the Chief Operating Officer for HSA Home Warranty. Over more than a decade of service, Micheal provided key strategic leadership throughout the organization while helping to grow the company dramatically in preparation for an eventual change of control. Michael's quantitative and analytical breakthroughs introduced new underwriting models, claims management tools, and improved financial analysis.

Micheal draws on his rich and diverse academic and professional history to continue to grow as a business executive and community leader.

Steve Cable

Chief Financial Officer – responsible for accounting

A Certified Public Accountant, Steve is a senior financial executive with over 30 years of public accounting and manufacturing experience. Over the years, he has built a record of accomplishments in cross-functional team building, cost savings, acquisitions, and business results. Steve's career boasts a strong history of business growth, both in top-line sales and bottom-line profits. He worked his way up to Chief Financial Officer of Fiskars Consumer Products during his 14-year career there. During his tenure with Fiskars, the company experienced significant growth via a combination of organic growth and acquisitions. Following Fiskars, Steve served as Chief Financial Officer of Springs Window Fashions, a manufacturer of window covering products.

Mike Nell

Chief Technology Officer – responsible for privacy/security

A seasoned technology executive, Mike has worked in both start-ups and large corporations, contributing to a strong background in payment systems and financial services. Mike served as Vice President of Payments at CDS-Global for the past four years. Prior to joining CDS-Global, he was MasterCard's VP Senior Business Leader responsible for application development and processing for prepaid, debit, card issuing, and acquiring solutions. He implemented debit card and acquiring processing for a top 10 debit card issuer and several major regional banks, and expanded pre-paid processing to 27 countries.

Jane Chesbro

Executive Vice President Business Administration – responsible for claims and business administration

Jane leads TASC's business administration and business conversion teams. The business administration area includes customer transactions, premium services, and card services departments. Jane previously worked at CUNA Mutual Group and has more than 30 years of insurance and financial services industry experience, holding senior leadership positions for almost 20 years. She has led several business functions, including operations, sales, finance, actuarial, and product management, spanning over a variety of insurance and investment products and service offerings. In addition to her business administration and business conversion accountabilities, Jane also leads TASC's investment portfolio process.

E.10 Payroll Processing and Documentation Submission

A. Provide a detailed description of your company's procedures used to process various and multiple payroll files to reconcile established deductions/elections in a timely manner. Include the processes used for files received electronically and in paper format.

TASC acknowledges the complexity of a program with multiple distinct payroll reporting centers. Today, TASC **seamlessly manages** numerous programs of size and scope similar to EBD including other state entities and large professional employer organizations (PEO) with hundreds of payroll centers. TASC manages multiple payroll center programs with ease, ensuring appropriate system access control for the individual reporting centers.

During implementation kick off meetings TASC determines the appropriate group and sub-group configuration within the system. Defining groups and sub-groups of payroll centers allows individual payroll centers to compile all payroll deductions for Participants in each group or sub-group. TASC will define appropriate file specifications to ensure effective data management. The timeline for set-up and testing payroll file transmission is accomplished in approximately six weeks. Both payroll and eligibility files will be prepared, reviewed and tested prior to the go live date.

Enrollment and payroll data is transmitted via various electronic methods; most commonly, via SFTP. The SFTP process allows for multiple files to be transmitted by multiple approved users.

TASC's dedicated staff is available to handle any issues that may arise from the payroll processing centers and/or EBD's payroll staff. TASC appoints a central contact person to be available to answer any questions regarding employer issues that might arise. Ongoing support will be provided to both EBD and to all participants in the plan on our website. Online interactive training is available including webinars, where TASC can meet with as many participants or department personnel as needed.

TASC prides itself in our right touch service model, by product of quality control processes, resulting in positive Client and Participant experiences. It is important to note, **98% of payroll funds are posted in 24 hours or less.**

B. Provide a detailed description of your company's proposed procedures to provide payroll interface for the transfer of information to and from the Arkansas Administrative Statewide Information System (AASIS).

TASC acknowledges the complexity of a program with multiple distinct payroll reporting centers. Today, TASC **seamlessly manages** numerous programs of size and scope similar to EBD including other state entities and large professional employer organizations (PEO) with hundreds of payroll centers. TASC manages multiple payroll center programs with ease, ensuring appropriate system access control for the individual reporting centers.

During implementation kick off meetings TASC determines the appropriate group and sub-group configuration within the system. Defining groups and sub-groups of payroll centers allows individual payroll centers to compile all payroll deductions for Participants in each group or sub-group. TASC will define appropriate file specifications to ensure effective data management. The timeline for set-

up and testing payroll file transmission is accomplished in approximately six weeks. Both payroll and eligibility files will be prepared, reviewed and tested prior to the go live date.

Enrollment and payroll data is transmitted via various electronic methods; most commonly, via SFTP. The SFTP process allows for multiple files to be transmitted by multiple approved users.

TASC's dedicated staff is available to handle any issues that may arise from the payroll processing centers and/or EBD payroll staff. TASC appoints a central contact person to be available to answer any questions regarding employer issues that might arise. Ongoing support will be provided to both EBD and to all participants in the plan on our website. Online interactive training is available including webinars, where TASC can meet with as many participants or department personnel as needed.

TASC prides itself in our right touch service model, by product of quality control processes, resulting in positive Client and Participant experiences. It is important to note, **98% of payroll funds are posted in 24 hours or less.** In the event of a discrepancy the Account Management team contacts EBD via phone or email and develops an immediate resolution and implements any change necessary to prevent reoccurrence of the issue.

TASC uses a report containing annual elections and payroll frequencies to identify discrepancies between the payroll center and the deductions expected. Based on the finding of this report comparison a discrepancy report is generated which includes the name of the file, processing date and the reason that the deduction could not be posted to the Participant account.

E.11 Reporting

A. Provide a specific list, description, and a sample package of your company's standard reports including the frequency of report generation. Provide sample reports in electronic format only such as a CD or flash drive.

For EBD, TASC provides a custom reporting package which meets the minimum reporting information outlined in section 2.20.

TASC Ad Hoc Report Samples		
Reports: TASC delivers accurate, complete and timely reports as specified below and requested by EBD.		Report Frequency
1. Plan Participation Statistics	Provide quarterly enrollment statistics by plan (HSAs, LPFSA, FSA and Commuter Benefits) that include annual election amount, method of enrollment, date enrolled within fifteen (15) days of the end of the quarter.	Quarterly

TASC Ad Hoc Report Samples

2. Customer Service Summary	Provide a monthly report of Customer Service data noted above within fifteen (15) days of the end of each month.	Monthly
3. Claim Summary	Provide a monthly report of Claim Summary Information noted above within fifteen (15) days of the end of each month.	Monthly
4. Payroll Discrepancy Reports	Compile and distribute a payroll discrepancy report to each payroll processing center following each payroll within seven (7) business days of receiving payroll data.	Monthly
5. Summary Payroll Discrepancy Reports	For EBD, provide a weekly summary of payroll discrepancy reports sent to payroll processing centers including the date of the payroll, date a discrepancy report was sent and date a response was received from the payroll processing center.	Weekly
6. Contributions/Payroll Deductions	Provide mutually agreed upon reports monthly to facilitate reconciliation between TASC and EBD within fifteen (15) days of the end of the month.	Monthly
7. Annual Report	Provide an annual report due June 30th of each year including: A. Plan participation statistics B. Estimated tax savings for PEBA and collectively for participants (not specific to PEBA participants) C. Report of customer service activity D. Year-to-date forfeiture for prior year (Note: Point of Claims, thus TASC will not hold funds. Finalization report is available online 24/7/365. TASC will audit by July 31st provided there is a ninety (90) day claims run out.) E. Participant satisfaction survey report F. TASC quality team to prepare an audit annually for EBD's Participants. G. Activity of the Programs. H. Summary of the Contractor's operations. I. Contractor's performance and administration of the Programs. J. Any failure of the Contractor to comply with the K. Performance Standards and the applicable damages assessed.	Annually

TASC Ad Hoc Report Samples

	L. Any penalties and/or interest assessed by the IRS and/or the Arkansas Department of Finance and Administration.	
8. Performance Standards and Guarantees	Provide a report summarizing the Performance Standards and Guarantees within forty-five (45) days of the end of the plan year.	Annually
9. Turnover Plan	Provide a turnover plan outlining transitions within thirty (30) days of being notified of non-renewal as plan third party administrator.	Upon non-renewal
10. Quarterly Reports	<p>No later than forty-five (45) days after the end of the quarter TASC provides a quarterly report that includes:</p> <ul style="list-style-type: none"> A. Summaries of the Performance of the Programs B. Satisfaction of the Members as determined by the total number of complaints (i.e. expressions of dissatisfaction with any service or product required by this RFP) received by the Contractor from Members such as from surveys administered during each quarter. C. Activity of the Programs D. Other information determined relevant by EBD E. Quarterly report of Member accounts with each Member account appropriately separated by the applicable funding source, with each funding source having its own classification and shall be arranged by the categorization requested by EBD. F. Quarterly reconciliation report organized by agency including deductions and credits for the applicable quarter. G. Reports on all customer service calls including call drivers and categories of call volume. 	Quarterly
11. Payback Report	Monthly payback report for all nonqualified debit card transactions.	Monthly

TASC's standard reporting package offers employers 24/7/365 access to numerous reports and notifications. Employers may view details regarding their Plan and those of their employees, collectively or individually.

FSA:

- **Plan Management** – Shows the previous and current Plan Year details of the benefits offered and provides a Summary Plan Description (SPD) for each Plan Year
- **Payroll Verification Report (PVR)** –Details each enrollee and their election amount(s) for each scheduled payroll date
- **Participant List** – Details each Participant in the Plan and their account status. Also allows the Client to access each Participants individual account
- **Balances and Exposures** – Shows current Participant Account balances compared to Contributions received to date and claims paid to date
- **Plan Contribution Payments** – An easy to read list of all PVR payments received for each scheduled payroll date
- **Plan Finalization** – Shows the final report of Participant Accounts for previous Plan Years. This will also show the current Plan Year report
- **Point of Claims Report** – Shows any participant claims paid within the elected client funding time frame

HSA:

- HSA Account Detail Report
- HSA Contribution Notification
- HSA Employer Summary Report
- HSA Funding Collection Notification
- HSA Mid-Year Election Notification

Sample TASC reports have been provided electronically, under separate cover, in Ancillary Information, Exhibit – TASC Reports.

B. Provide a detailed description of the process for clients to request reports not currently available and the estimated time until receipt by the client.

TASC establishes ad hoc reporting requirements based on the needs of EBD. Ad hoc report requests are initiated through your Account Manager. Turnaround time for receipt varies based on the complexity of the request.

C. Describe your company's process for handling a client's request for ad hoc reports. Include the turnaround time for receipt of report by the client.

TASC establishes ad hoc reporting requirements based on the needs of EBD. Ad hoc report requests are initiated through your Account Manager. Turnaround time for receipt varies based on the complexity of the request.

D. Describe the process clients use to request additional information or clarification of the data contained in a report. Include the turnaround time for providing the requested information to clients.

Should EBD request additional information and/or clarification of the information and/or data contained in any report, within one (1) Business Day and via the secure email or task system, the Contractor shall acknowledge receipt of EBD's request and shall provide a timeline for providing the additional information and/or clarification requested.

E.12 Compliance, Privacy and Security

A. In electronic format (CD or flash drive) provide a copy of your company's emergency operations plan. At a minimum include the following:

- 1. A detailed disaster recovery plan**
- 2. A detailed business continuity plan**

Detailed disaster recovery plan and detailed business continuity plan are provided electronically under separate cover in Ancillary Information, Exhibit – Disaster Recovery and Continuity Plan.

B. In electronic format only (CD or flash drive), provide copies of your company's privacy, security, and breach notification policies and procedures.

Copies of TASC's privacy, security and breach notification policies and procedures are provided electronically under separate cover in Ancillary Information, Exhibit – Privacy, Security and Breach Notification Policies and Procedures.

C. Provide a detailed explanation of insurance, bonding, and guarantees offered by your company in the event of issues caused by loss of operations due to an emergency or disaster.

TASC carries a \$5,000,000 Commercial Crime policy with Chubb Insurance Company, which includes Employee Dishonesty coverage as well as Client coverage provisions. TASC also maintains \$7,000,000 Errors & Omissions policy as well as a \$5,000,000 Liability Umbrella Policy. As part of our General Liability policy and Cyber policy, TASC carries business interruption coverage to assist, as needed, during the time of the interruption.

D. Provide a detailed description of any breaches, complaints, or grievances regarding protected health information (e.g., security or privacy) for your company's complete book of business. At a minimum include the following:

- 1. Event date and description**
- 2. Resolution or ongoing details**

TASC has not experienced incidents/breaches to client data via systems or unauthorized physical access. TASC's policy for security incident ensures that that these events are handled appropriately per our documented procedures.

E. Provide a detailed description of any event where your company's employee(s) willfully committed acts that compromised Member information including any that did not involve personal health information.

Specific information on breaches, complaints or grievances with regards to protected health information is not available for release. Breaches are very few in number and were considered very low risk in nature.

F. Provide information regarding the Cyber Liability Insurance carried by your company.

TASC carries a \$5,000,000 Commercial Crime policy with Chubb Insurance Company, which includes Employee Dishonesty coverage as well as Client coverage provisions. TASC also maintains \$7,000,000

Errors & Omissions policy as well as a \$5,000,000 Liability Umbrella Policy. As part of our General Liability policy and Cyber policy, TASC carries business interruption coverage to assist, as needed, during the time of the interruption.

G. Provide a detailed description of your company's HIPAA policies and procedures.

To date, TASC has not experienced a "breach" as set forth in 45 CFR §164.402. TASC operates in compliance with the HIPAA Breach Notification Rules. In the event of a breach TASC will

- Provide notification to the employer promptly without unreasonable delay
- Provide notification no later than thirty (30) calendar days after the discovery of the breach.

Notification to the employer will include, to the extent possible, the following information:

Identification of each individual involved whose unsecured Protected Health Information (PHI) has been or is reasonably believed by TASC to have been accessed, acquired, used or disclosed during the breach.

- The date of the discovery of the breach.
- A description of the information breached.
- Any steps the individual should take to protect themselves.
- The steps TASC is taking to investigate the breach, mitigate losses, and protect against future breaches.
- A contact person and telephone number for more information.

TASC HIPAA BUSINESS ASSOCIATE PRIVACY POLICY

Total Administrative Services Corporation (TASC) takes privacy very seriously. We share a commitment with Covered Entities to protect the privacy and confidentiality of Protected Health Information (PHI) that we obtain subject to the terms of a Business Associate Agreement.

This Policy is provided to help you better understand how we at TASC, use, disclose, and protect PHI in accordance with the terms of Business Associate Agreements.

Definitions

Business Associate Agreement (BA Agreement). A Business Associate Agreement is a formal written contract between TASC and a Covered Entity that requires TASC to comply with specific requirements related to PHI.

Covered Entity. A Covered Entity is a health plan, health care provider, or healthcare clearinghouse that must comply with the HIPAA Privacy Rule.

Protected Health Information (PHI). PHI includes all "individually identifiable health information" that is transmitted or maintained in any form or medium by a Covered Entity. Individually identifiable health information is any information that can be used to identify an individual and that was created, used, or disclosed in (a) the course of providing a health care service such as diagnosis or treatment, or (b) in relation to the payment for the provision of health care services.

Use and Disclosure of PHI

We may use PHI for our management, administration, data aggregation and legal obligations to the extent such use of PHI is permitted or required by the BA Agreement and not prohibited by

law. We may use or disclose PHI on behalf of, or to provide services to, Covered Entities for purposes of fulfilling our service obligations to Covered Entities, if such use or disclosure of PHI is permitted or required by the BA Agreement and would not violate the Privacy Rule.

In the event that PHI must be disclosed to a subcontractor or agent, we will ensure that the subcontractor or agent agrees to abide by the same restrictions and conditions that apply to us under the BA Agreement with respect to PHI, including the implementation of reasonable and appropriate safeguards.

We may also use PHI to report violations of law to appropriate federal and state authorities.

Safeguards

We use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for in the BA Agreement. We have implemented administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that we create, receive, maintain, or transmit on behalf of a Covered Entity. Such safeguards include:

- Maintaining appropriate clearance procedures and providing supervision to assure that our workforce follows appropriate security procedures;
- Providing appropriate training for our staff to assure that our staff complies with our security policies;
- Making use of appropriate encryption when transmitting PHI over the Internet;
- Utilizing appropriate storage, backup, disposal and reuse procedures to protect PHI;
- Utilizing appropriate authentication and access controls to safeguard PHI;
- Utilizing appropriate security incident procedures and providing training to our staff sufficient to detect and analyze security incidents; and
- Maintaining a current contingency plan and emergency access plan in case of an emergency to assure that the PHI we hold on behalf of a Covered Entity is available when needed.
- Mitigation of Harm

In the event of a use or disclosure of PHI that is in violation of the requirements of the BA agreement, we will mitigate, to the extent practicable, any harmful effect resulting from the violation. Such mitigation will include:

Reporting any use or disclosure of PHI not provided for by the BA Agreement and any security incident of which we become aware to the Covered Entity; and Documenting such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request for an accounting of disclosure of PHI in accordance with HIPAA.

Access to PHI

As provided in the BA Agreement, we will make available to Covered Entities, information necessary for Covered Entity to give individuals their rights of access, amendment, and accounting in accordance with HIPAA regulations.

Upon request, we will make our internal practices, books, and records including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by the BA on behalf of a Covered Entity available to the Covered Entity or the Secretary of the U.S. Department of Health and Human Services for the purpose of determining compliance with the terms of the BA Agreement and HIPAA regulations.

H. Provide a detailed description of your company's internal security policies, procedures, practices, and the system utilities used to protect Member social security numbers and other elements of personal information from your company's employees who do not have a valid "need to know".

TASC has emphasized preventative and detective controls in our security design to prevent unauthorized access, use or disclosure of our client's data. TASC has an access management program is a role-based system based on a user's 'need to know'. Levels of access include 'no access, view, and update'. In addition, TASC heavily restricts a user's rights to delete data. Security design, including strategically positioned firewalls, intrusion prevention systems restrict and monitor traffic coming in, and going out of our environment. Auditable events such as access, modification of sensitive data, modification of privileges or access, object accessed, etc. are logged and reviewed on an ongoing basis. TASC has a DLP program to monitor sensitive data leaving the company via email systems. In lieu of SSN's TASC issues each Participant a unique 12-digit ID number.

I. Provide a detailed description of training provided to your company's employees/staff including Internal Revenue Code Sections, ADA, HIPAA and other regulatory issues/laws.

TASC regards compliance as one of our highest priorities. Our compliance team is comprised of impressively tenured individuals: including an on staff attorney, legislative analyst, and Internal Auditor; who are proactive in gathering information regarding legislative issues and keeping both our company and our clients thoroughly informed. TASC has staff certified in PCI Compliance as well as HIPAA; this is unusual in our industry and shows our commitment to compliance.

TASC employs Product Managers, who work closely with our compliance team, for all our product offerings and those staff are highly skilled and monitor all product specific regulatory and legislative movements. TASC Product Managers and legal/compliance department complete regular reviews of materials to ensure compliance. We determine the updates are relevant to our clients and communicate them through our website, email, and direct communication from our Account Representatives. TASC employees are kept up-to-date with the latest regulatory changes through email, continuing education meetings, blogs, and departmental meetings.

TASC also has a HIPAA/HITECH Privacy and Security Policy that is in place, all employees are trained within 30 days of hire and recertify annually.

J. Describe the method your company uses to remove or mask a Member's social security number from any printed report, letter, or other form of communication.

Our reports are compliant with HIPAA privacy standards, as well as PCI and SSAE 16 standards, ensuring that identifying fields are masked (e.g., Social Security Number) or able to be de-identified (e.g., Name stripped from the report) as needed.

K. Explain how your company will monitor and control unauthorized attempts to access EBD files.

TASC has emphasized preventative and detective controls in our security design to prevent unauthorized access, use or disclosure of our client's data. TASC has an access management program is a role-based system based on a user's 'need to know'. Levels of access include 'no access, view, and update'. In addition, TASC heavily restricts a user's rights to delete data. Security design, including strategically positioned firewalls, intrusion prevention systems restrict and monitor traffic coming in, and going out of our environment. Auditable events such as access, modification of sensitive data, modification of privileges or access, object accessed, etc. are logged and reviewed on an ongoing basis. TASC has a DLP program to monitor sensitive data leaving the company via email systems.

TLS, SFTP, and Encrypted VPNs are used to protect data in transit. The method applied depends on the type of communication and the capabilities of the integration partner. Data is encrypted from browser to the web server over the web using 256-bit TLS. Within the application, a minimum of AES 256 and TLS encryption is deployed on all sensitive data transmission.

We use XtremIO Data at Rest Encryption (DARE) on the Storage Area Network (SAN). The XtremIO all-flash array utilizes a high performance inline encryption to ensure data stored on the array is unusable if solid-state device (SSD) media is removed. Flash drives in the array are self-encrypting drives (SEDs) and each has a unique data encryption key created during manufacturing. We use Data Domain data at rest encryption for SQL backups. All data is encrypted via an AES-256 algorithm and is FIPS certified.

L. Describe the intrusion detection and monitoring tools your company utilizes. Include information regarding the frequency your company conducts penetration testing and vulnerability scans.

TASC's *Policy & Procedure PPCR890* guides the handling of security incidents. We have automatic alerting within TASC and with our key contractors hosting our client data that notify TASC on potential security incidents, including breaches. All automated intrusion detection systems within the TASC environment, including perimeter intrusion prevention systems, perimeter and internal firewalls, web-application firewalls, host-based intrusion detection systems and file integrity checking systems, are configured to notify TASC of any potential compromises or attacks. This is done through a Security Incident and Event Monitoring (SIEM) tool that correlates events and alerts on potential threats to TASC. A member of the TASC BTS team is available on a 24/7 basis to initiate or monitor the incident response plan if warranted.

System and network security event logs are also correlated by the SIEM and include (at minimum), include:

- Successful/unsuccessful logon/logoff
- Server/application alerts and error messages

- System administrator activities
- Application accessed
- Configuration changes
- Modification of privileges and access (e.g. rights, permissions)
- Modification to sensitive data
- Account creation, modification, or deletion
- Object accessed
- Firewall rule changes
- Application alerts and error messages
- Anomalous (e.g., non-attributable) activity;
- System event
 - Examples: Server start up/shutdown
- Command line changes, batch file changes and queries made to the system (e.g., operating system, application, and database)

Security logs are maintained for 90 days online and one year offline.

TASC contracts with Kirkpatrick Price to perform penetration testing. Vulnerability assessments are performed each month by the TASC security team and quarterly by Rapid7. Starting in 2018, to maintain our PCI certification, we will begin testing bi-annually. Our last penetration test was in November 2018. Our last Rapid7 assessment was in January 2018.

E.13 Debit Card

A. Provide a detailed description of the connection between your company's card administration platform and claims administration software.

On a nightly basis, card claims/transactions are uploaded to our MyTASC UI. From there, a balance adjustment is sent over to the Card Processor to update the balance on the card, based on any changes or claims paid in the MyTASC UI. Cardholder demographics (name & address) and Card Status changes (lost/stolen, temp inactive, reactivate, etc.) are updated to our processor in real-time.

B. Provide a detailed description of any connection with any merchant who currently supports an IIAS.

The TASC Card will work at healthcare merchants as identified by Merchant Classification Codes (MCC) and at other merchants with the Inventory Information Approval System (IIAS) in place.

Healthcare Merchants. Healthcare merchants include doctors, dentists, vision facilities, and other locations that sell medical services/products only.

IIAS (Inventory Information Approval System) IIAS merchants automatically approve purchase of HSA/FSA-eligible items at the point of purchase. As long as EBD's employees shop at a retailer with IIAS, the TASC Card will approve HSA/FSA eligible items.

How IIAS works: The merchant identifies HSA/FSA eligible purchases by comparing the inventory control information (UPC or SKU number) for the items being purchased, against a pre-established list of HSA/FSA eligible expenses (as described in Section 213(d) of the Internal Revenue Code).

Some of the more common IIAS merchants include:

- Walgreens
- Wal-Mart
- Target
- Rite Aid
- Savon Drugs
- Kroger
- CVS Pharmacies

For a complete list of IIAS certified merchants, and an interactive Store Locator, please visit www.sig-is.org.

Participants are educated to the use and restrictions of the card through educational materials distributed along with the card and through our Customer Care Center and our specialized website <https://www.tasconline.com/products/flexsystem/tasc-card/>.

C. Provide a detailed description of how your debit card administration system utilizes email for efficient and cost effective Member communication.

One of the advantages of choosing TASC is that we are able to make the FSA process as “paperless” as possible for EBD’s employees. We can eliminate the need for mailing any information through the use of Mobile App, Participant Website, Text Messaging and email confirmations. Of course, participants are welcome to mail reimbursement requests, however over 98% of requests are submitted via our Mobile App, Online Wizard or via fax. Statements of Participant accounts and claim status are available via email or text messaging.

D. Provide a detailed description how email notifications are provided to the Members regarding the following:

- 1. Status of debit card transactions**
- 2. With specific identification dealing with auto-substantiation**
- 3. Claims submission requirements**
- 4. Debit card status**

TASC sends the following communications to Participants via text and/or email:

- On receipt of a Request for Reimbursement
- When a Request for Reimbursement has been paid
- When a Request for Reimbursement has been denied
- Requests for Request for Reimbursement forms
- Current balance information before the end of the Plan year; including grace period and run-out dates

E. Describe in detail your company’s method of communicating the following to Members:

- 1. Process of using the debit card**
- 2. Receiving and understanding email notifications**

3. How to contact customer service

TASC's library of informational materials is vast. For EBD, TASC develops **custom participant educational materials annually** to be used at open enrollment, benefit fairs and throughout the plan year via web portal. Materials include brochures, forms, poster, websites, videos, online calculators, email blasts, frequently asked questions (FAQs) PowerPoint presentations and more. TASC produces content for multiple targeted digital campaigns to promote EBD benefits, services and initiatives. TASC's is providing a **dedicated Marketing and Communications Liaison** to EBD to lead the development of any custom materials EBD desires.

F. Describe in detail the process (including contact information) Members would follow for questions regarding the following:

- 1. Charge-backs**
- 2. Stolen Cards**
- 3. Unauthorized transactions**
- 4. Other non-typical debit card customer service issues**

Participants may call our Customer Service Representatives at 1.800.422.4661 for charge-backs, unauthorized transactions, and other non-typical debit card customer service issues. If a card is lost or stolen, Participants must report the lost or stolen card immediately. To request a replacement card, Participants simply go online and a new card will be reissued within 7 to 10 days.

G. Provide information on how the debit card may be customized for your company's clients, including Plan branding.

TASC is pleased to offer a custom branded card to EBD. Additionally, custom communications will be developed by TASC and approved by EBD.

H. Provide a sample (front and back) of your standard debit card. An actual plastic card is preferred but printed images are also acceptable.

Provided as [Exhibit H- TASC Card Image](#).

I. Provide a detailed description of all auto-substantiation parameters available to the Plan.

The following are detailed descriptions of our IRS-approved substantiation solutions:

- **Merchants Using Inventory Information Approval Systems (IIAS)** – When the consumer makes a purchase at a merchant using IIAS, the merchant's system automatically recognizes and separates FSA/HRA-eligible from non-eligible purchases. Eligible purchases can be placed on the card and the consumer is asked for an alternative payment method for ineligible items.
- **Patented Real-Time Data Matching at Point of Sale** – If being employed for the employer's plan, we use established direct data links with pharmacy benefit managers (PBMs). Real-time substantiation occurs during the card swipe authorization in the pharmacy prior to the transaction's approval and requires no special handling on the part of the merchant or consumer. The card transaction is matched to the claims data at the point of sale. If they match, the card swipe transaction is approved and considered substantiated requiring no further action. If the transaction cannot be matched, it is declined. This method

is ideal for plan designs that require more information than is available through IIAS alone (e.g., for HRAs with a restricted prescription formulary).

- **Retrospective Data Matching**

- **Carrier Data Matching at the Employer Level:** Paid card transactions may be compared to adjudicated claims from health plan, vision, and dental carriers. If they match, the card swipe transaction is considered substantiated and requires no further action.
 - **Consumer Claims Sync:** This solution allows consumers to link their healthcare (medical, dental, etc.) insurance account via web login to activate the claims matching functionality for debit card transactions on their own (without a batched claim feed).
- **Employee-Level Copayment Matching** – The administrator collects copayment information from the employer and provides it to us. We match it retrospectively against the card transactions. Our system automatically calculates multiple and combination copayments (up to five) consistent with IRS guidelines.
- **Recurring Expense Logic** – After a transaction has been substantiated once, transactions for the same amount in the same setting are substantiated electronically and do not require another review.

J. Describe your company's process for taking an electronic claims import for medical or pharmacy claims to substantiate debit card transactions or for automatic reimbursement of non-debit card transactions. Include the following information:

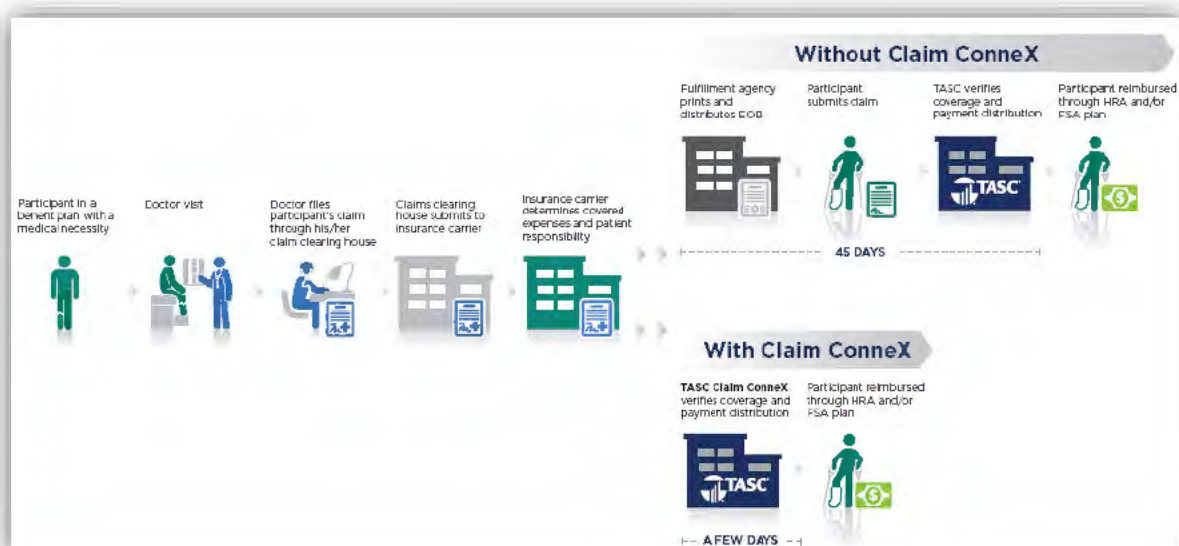
1. Data file specifications

2. Timing issues

3. Eligibility concerns

4. Other relevant information

TASC partners with over **50 carriers nationwide** and counting to alleviate the time and labor costs associated with Participant claims processing. The flowchart below demonstrates an employer with the integrated capability and without integration.



TASC creates a secure file transfer protocol for retrieving claims from EBD's insurance carriers. TASC determines the appropriate file types, formats, filename standards, claim types and method for identifying Participants. During pre-production TASC is responsible for testing, communicating and obtaining user acceptance of claim feeds. TASC ensures all claim files are picked up and processed in the timeframe defined during implementation.

Carrier Implementation Process:

1. Carrier reviews TASC carrier feed implementation guide.
2. Carrier returns completed TASC Insurance Carrier Application.
3. TASC Vice President of Carrier Relations, Dean Hanson, conducts a presentation overview for EBD's insurance carrier.
4. TASC distributes carrier feed implementation guide.
5. TASC builds a relationship with the carrier and begins technical data exchange, including test files.
6. TASC and the carrier develop an implementation timeline based on resources and responsiveness.
7. Final approval for production and go-live date.

For three months after the go-live date, an optional weekly support call will be available to carriers. This call maintains the teams open dialog after the go-live date and ensures data flows in a seamless and timely manner. Additionally, TASC prepares an audit report monitoring data transmitted and processed.

K. Describe your company's recommended process to facilitate claims offset for non-substantiated debit card transactions and the options available within your company's administration system to deviate from the recommended process.

FSA Off Set Balance Corrective Procedure. When a medical reimbursement or card transaction cannot be substantiated and remains unsubstantiated, regulations state that employers may take the following corrective actions:

- Request that the Participant submit an eligible Request Substitution to offset the ineligible payment. The request substitution must be for an eligible expense under the Plan not previously reimbursed by any other plan.
- Request that the Participant reimburse the Plan via check in an amount equal to the ineligible payment.
- Withhold the improper payment from the Participant's wages or other compensation to the extent consistent with applicable law. (State wage withholding laws apply. Check your state laws to prevent any violation of State regulations.

Off Set Balance. The Off-Set Balance calculation compares total paid unsubstantiated Reimbursement Requests to total unpaid substantiated Requests. If the paid unsubstantiated Requests exceed the unpaid substantiated Requests at the end of the Plan Year, you will need to begin the Off-Set Balance correction procedure. If there is no Off-Set Balance no correction is necessary. The Off-Set Balance calculation may not directly tie dollar-for-dollar to a specific Request for Reimbursement.

This balance will be calculated and available at any time throughout the Plan year by visiting the Balances and Exposures area of the Client Manager (at www.tasconline.com) or by contacting FlexSystem Client Services Department: Submit a MyService Request (from MyTASC, Click Contact Us) or call 1.800.422.4661

L. Provide details regarding the reasons your company's debit cards have been offline at any time within the past two (2) years. Include the length of time the debit cards were offline for each occurrence.

The TASC Card has experienced one minor potential offline period on March 22, 2016 during which TASC changed Card Processor. The 'move' of our card BIN occurred between 3am and 6am, so some cardholders may have experienced card declines during that time.

Exhibits

Exhibit A – TASC Org Chart

TASC Org charts are **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

(Remainder of Page Left Intentionally Blank)

Exhibit B - TASC Audited Financial Statements (CONFIDENTIAL)

Evidence of TASC's Audited Financial Statements is **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

(Remainder of Page Left Intentionally Blank)

Exhibit C – TASC Screenshots

(Remainder of Page Left Intentionally Blank)



Alerts Settings Support Contact Us Sign out

OVERVIEW **BENEFIT ACCOUNTS** TRANSACTIONS TASC CARD

All benefit accounts

ABC Company HSA
ABC Company Limited FSA
Commuter Benefit
Parking Benefit
Wellness Benefit
Giving account

ALL BENEFIT ACCOUNTS

\$49.56

MyCash balance

2018 Contributions

By benefit Per paycheck



ABC Company HSA (50%)	\$581.00
ABC Company Limited FSA (45%)	\$538.46
Commuter Benefit (5%)	\$66.49

[View all transactions](#)

2018 Expenditures

By benefit By service type



ABC Company HSA (87%)	\$224.32
ABC Company Limited FSA (0%)	\$0.00
Commuter Benefit (13%)	\$35.00

[View all transactions](#)

[Pay a provider](#)

[Request a reimbursement](#)


[Alerts](#) [Settings](#) [Support](#) [Contact Us](#) [Sign out](#)
[OVERVIEW](#)
[BENEFIT ACCOUNTS](#)
[TRANSACTIONS](#)
[TASC CARD](#)

OVERVIEW

\$49.56

MyCash balance ▼

BENEFIT ACCOUNTS

[View all](#)

ABC Company HSA

\$500.00

Available balance



ABC Company Limited FSA

\$1,000.00

Available balance



4 more

REIMBURSEMENTS

[View all](#)

Reimbursements header

Lorem ipsum dolor sit amet, consectetur
Duis aute irure dolor in reprehenderit in
voluptate velit esse cillum dolore eu fugiat

[Request a reimbursement](#)

PAYMENTS

[View all](#)

Pay a doctor's bill

Lorem ipsum dolor sit amet, consectetur
Duis aute irure dolor in reprehenderit in
voluptate velit esse cillum dolore eu fugiat

[Pay a provider](#)

RECENT TRANSACTIONS

[View all](#)

RTD

TASC card expenditure

01/24/18

Pending

-\$12.00

Commuter benefit

Mile high Dental

TASC card expenditure

01/22/18

Receipt required

-\$87.02

ABC Company Limited FSA

[Attach receipt](#)

B&VA Checking

Reimbursement balance bank transfer

01/01/18

Completed

-\$100.00

MyCash

Ace's Liquor

TASC card expenditure

01/13/18

Paid

-\$48.19

MyCash

Peddington Preschool Reimbursement

TASC card reimbursement

01/12/18

Posted

+\$208.33

MyCash

[Start chat](#)

©2018 FABC Company. All rights reserved.

Powered by 



REQUEST A REIMBURSEMENT

Expense type

Incurred by

Provider/Merchant

Date & amount

Attach receipt(s)

Review & submit

Provider/Merchant

Please enter who you paid for this expense.

Provider/Merchant

Walgreens

Your recent providers/merchants

Walgreens


CVS

Save for later

Back

Next

© 2017 TASC. All rights reserved.



[Alerts](#)
[Settings](#)
[Support](#)
[Contact Us](#)
[Sign out](#)

[OVERVIEW](#)
[BENEFIT ACCOUNTS](#)
[TRANSACTIONS](#)
[TASC CARD](#)

Your TASC cards

[Order saved cards](#)

[Card history](#)

[ATM locator](#)

REQUEST A NEW CARD

Please choose the mailing address where you'd like to receive your new card.

Dependent:

Charlie Donnington

Mailing address:

☐ 2701 Coolidge St, Madison, WI 53704

☐ 203 Pinegrove ave, Madison, WI 53704

☒ 12800 N Lake Shore Drive, Mequon, WI 53097

[+ Add a new address](#)

Cancel

Submit

[Block card](#)

[Report lost or stolen card](#)

Exhibit D – Non-Discrimination Testing Forms

(Remainder of Page Left Intentionally Blank)



Non-Discrimination Assessment Instructions

Cafeteria Plan regulations impose taxes and penalties for non-discrimination Flexible Spending Accounts (FSAs). To retain the TASC Audit Guarantee for your Flexible Benefits Plan, an annual non-discrimination assessment must be performed.

Assessment Process

1. The Non-discrimination Assessment Instructions and Data Worksheet are included with this kit.
2. Complete the Data Worksheet for your current Plan Year. To determine HCE compensation and the HCE defined limit, refer to details under the "Definition of Compensation" below.
3. **Fax or mail your completed Data Worksheet to TASC within 30 days:**
(Fax) 608-245-3623, or
(Mail) 2302 International Lane, Madison, WI 53704-3140
4. Approximately 30 days after receipt of the Data Worksheet, TASC will notify you of the results of your Plan Assessment.

It is important for each employer to monitor their Plan at all times during the Plan Year for possible discrimination issues and to make any corrections before the Plan Year ends.

IMPORTANT NOTES:

- ★ If your Plan changes significantly after you've submitted the Data Worksheet, we recommend an additional assessment to ensure the Plan remains in compliance.
- ★ One non-discrimination assessment is provided annually at no charge. Request additional assessments at any time (through Premium Services; additional fees may apply).

Definition of a Highly Compensated Employee (HCE)

- All officers of the corporation; and/or
- Owners of more than 5% of all classes of stock; and/or
- Employees with earnings exceeding the defined limit:
 - Earnings limits are \$120,000 (2016 & 2017) and, if elected by the employer, fall within the top 20% of income (refer to the 20% Top Paid Group Rules below); and/or
- Employee who is a spouse or a dependent (under Code 152) of an employee meeting any of the above definitions.

Definition of Compensation

Compensation is known as the employee's total gross compensation. This includes bonuses, commissions, and salary deferrals from the following sources:

- Code §125 Cafeteria Plan
- Code §132 Transportation Plan
- Code §401(k) Plan
- Code §457 Plan
- Code §403(b) Tax Sheltered Annuity
- SIMPLE Plan under Code §408(p)
- Simplified Employee Pension Plan (SAR-SEP)

In the case of a **self-employed individual**, compensation is defined as that person's earned income for the year.

In determining the **compensation data**, review the information below, applicable to your benefit Plan Year. Please note an off-calendar Plan Year has two choices, compensation from your prior Plan Year or Calendar year.

- **Calendar Plan Year:** use the *prior* calendar year compensation data and HCE defined limit (e.g. 2017 assessment year, 2016 compensation data, *2016 defined limit*).
- **Off-calendar Plan Year:** use compensation data from either the *prior Plan Year* or *calendar year*:
 - When using *calendar year compensation*, the defined limit from the assessment year applies (e.g. 2017 assessment year, 2016 compensation, *2017 defined limit*).
 - When using *prior Plan Year compensation*, the defined limit from the prior calendar year applies (e.g. 2017 assessment year, 2016 Plan Year compensation, *2016 defined limit*).

20% Top Paid Group for HCE Determination

If having difficulty passing the non-discrimination assessment, employers may find it advantageous to use the “20% Top Paid Group Rules” as an alternative method for determining who is a highly compensated employee (HCE).

1. First, identify all HCEs per the definition provided above.
2. Next, complete the alternative process below (**20% Top Paid Group Rules**) to identify the number of HCEs. If fewer HCEs result, using this method may help the Plan pass the non-discrimination assessment.

This HCE determination method may be used for any Plan Year, but once elected must be applied consistently—with respect to all Plan Years beginning in the same calendar year—for all the employer’s non-discrimination assessments and testing (retirement and non-retirement Plans).

Process to Determine HCEs in the 20% Top Paid Group (two steps):

1. **Determine how many employees account for 20% of total employees.**

In determining this number, you may exclude the employees listed below, even if the Plan allows their participation. Take the total number of employees, remove any who fit the exclusions below, and multiply the remainder by 20%. The result is the “20% number.”

Exclusions when calculating the 20% number:

- ✖ Employees who have not completed six months of service by the end of the year. In this scenario, an employee’s service in the immediately preceding year and in the current year are added together when determining if the exclusion applies to a particular employee in the current year.
- ✖ Employees who normally work fewer than 17.5 hours per week.
- ✖ Employees who normally work no more than six months during any year. The determination is based on the particular employer’s facts and circumstances, as shown by the employer’s customary experience in the years preceding the determination year. An employee who works on one day during a month is deemed to have worked during that month.
- ✖ Employees who have not attained age 21 by the end of the year.
- ✖ Nonresident aliens with no U.S. source income.
- ✖ Employees included in a unit of employees covered by a collective bargaining agreement, if at least 90% are covered by the collective bargaining agreement and the Plan tested covers only non-union employees.

2. **Identify the employees who received the most compensation during the prior year.**

Only two exclusions may be applied for this step:

- ✖ Employees who have not performed any services in the assessment year.
- ✖ Employees covered by a bargaining unit (as noted above).

For example, an employee who normally works fewer than 17.5 hours—and is thereby excluded in determining the number of HCEs—may nevertheless be among the top paid group.

List employees in descending order of compensation (highest to lowest paid). Stop after reaching the number determined in step one (20% of employees). These employees are the top paid group; an employee with compensation that exceeds the compensation limit is an HCE for the non-discrimination assessment.

If the 20% Top Paid Group determination reduces the number of HCEs, this method is likely more advantageous for an employer's non-discrimination assessment. Keep in mind the consistency requirement in respect to all Plan non-discrimination assessment and testing as noted above.

Example of 20% Top Paid Group Determination:

During the determination year, Employer X has 200 active employees; 80 work fewer than 17.5 hours per week.

- In determining the number of employees in the top paid group, Employer X excludes (from 200 total employees) all employees who normally work fewer than 17.5 hours per week (80 employees). The top paid group for the determination year equals 20 percent of 120 (200-80), or 24 employees.
- Employer X ranks all 200 active employees in order of compensation received during the prior year. The 24 employees paid the greatest compensation above the compensation limit for the prior year are considered the top paid employees and as such are the HCEs for non-discrimination assessment.

Assessment Worksheet Instructions

Enter your Client Name, Client ID (if known), and the Plan Year start and end dates at the top of the form.

When completing the data worksheet, consider all employer and employee contributions made through your Cafeteria Plan for:

- Insurance
- Healthcare FSA
- Dependent Care FSA
- Non-Employer Sponsored Insurance Premiums (NESP)
- Health Savings Account (HSA)

Worksheet Step 1 – Highly Compensated Employees (HCEs)

- Identify your highly compensated individuals (who participate in any pre-tax account offered under your Cafeteria Plan) associated with the Client ID (if none, write "none"). Attach additional sheets if necessary.
- Enter the annual amount the company contributes to each HCE's group health insurance premiums offered under your Cafeteria Plan. (If zero, enter 0.00.)
- Enter the annual amount each HCE pays for insurance premiums offered under your Cafeteria Plan. (If zero, enter 0.00.)
- Enter the annual amount the HCE contributes to a Health Savings Account (HSA) under the Cafeteria Plan.
- Enter the annual amount the company contributes to an HCE's Health Savings Account (HSA) under the Cafeteria Plan.
- Enter the total combined dollar amount from all boxes for the HCE subtotal under Step 1.

Worksheet Step 2 – Non-Highly Compensated Employees (NHCEs)

- Enter the annual amount the company contributes to all other employee's (non-highly compensated employees) group health insurance premiums offered under your Cafeteria Plan. Enter "none" if the company does not provide any insurance benefits.
- Enter the annual amount of the employee's portion of group health insurance premiums offered under the Cafeteria Plan (all non-highly compensated employees added together).
 - *Do not include daycare, medical reimbursement, transit and parking, or Non-Employer Sponsored Insurance Premium elections.*

(continued next page)

- Enter the annual amount the NHCEs contribute to a Health Savings Account (HSA) under the Cafeteria Plan.
- Enter the annual amount the company contributes to a Health Savings Account (HSA) under the Cafeteria Plan for NHCEs. (If zero, enter 0.00.)
- Enter the total combined dollar amount from all boxes for the NHCE subtotal under Step 2.

Worksheet Step 3 – Contributions for Other Qualified Pre-Tax Benefits

- **Benefit Type column:** If applicable, enter any other pre-taxed contributions and premiums for qualified benefits under an FSA Plan that are not reported above and not included in your online MyTASC account.
 - *For example*, this may include an Adoption Assistance benefit or benefits under another FSA Plan Document that is not administered on the TASC platform, such as a separate Premium Only Plan (POP) for dental premiums.
 - **Do not include 401(k), other retirement, or FlexSystem contributions.**

For each Benefit Type:

- Enter the contribution amounts (employer and employee) for your non-highly compensated employees.
- Enter the contribution amounts (employer and employee) for your highly compensated employees.
- **NHCE Subtotal:** Enter the combined Employer and Employee NHCE contribution amount.
- **HCE Subtotal:** Enter the total combined Employer and Employee HCE contribution amount.

Worksheet Step 4 – Carrier and Coverage Data

With TASC's continuing efforts to be a voice for employers and employees in healthcare reform, TASC is requesting information on your current insurance coverage. Please enter this information to help us continue with these efforts. Your information will not be shared with any outside sources.



Non-Discrimination Assessment Data Worksheet

TASC provides an Audit Guarantee that covers tax penalties resulting from a discriminatory Plan as long as the TASC Non-Discrimination Assessment is completed and Plan parameters are followed.

Note: This assessment is not a substitute for non-discrimination testing.

As part of our service, TASC reviews your Plan for discrimination of Non-Highly Compensated Employees (NHCEs). You will be notified of your results and options if the Plan fails the TASC assessment.

Client Name:				Client ID #:	
Plan Year:	____ / ____ / ____	to	____ / ____ / ____		
	Start Date		End Date		

Step 1 – Highly Compensated Employees (HCEs)

HCE Name	Group Sponsored Premiums under the Cafeteria Plan		HSA Contributions Provided under the Cafeteria Plan	
	Annual Employer Contributions	Annual Employee Pre-Tax Contributions	Annual Employer Contributions	Annual Employee Pre-Tax Contributions
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
Combined HCE Subtotal:				\$

Step 2 – Non-Highly Compensated Employees (NHCEs)

	Group Sponsored Premiums under the Cafeteria Plan		HSA Contributions Provided under the Cafeteria Plan	
	Annual Employer Contributions	Annual Employee Pre-Tax Contributions	Annual Employer Contributions	Annual Employee Pre-Tax Contributions
	\$	\$	\$	\$
Combined NHCE Subtotal:				\$



Step 3 – Contributions for Other Qualified Pre-Tax Benefits

Only include qualified benefits under a Flex Plan that are not reported above and not included in your online MyTASC account. *For example:* an Adoption Assistance benefit or benefits listed under a separate FSA Plan Document, such as a Premium Only Plan (POP) for dental premiums.

Benefit Type	Non-Highly Compensated Contributions		Highly Compensated Contributions	
	Annual NHCS Employer Contributions	Annual NHCE Pre-Tax Contributions	Annual HCE Employer Contributions	Annual HCE Pre-Tax Contributions
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
NHCE Subtotal:		\$	HCE Subtotal:	\$

Step 4 – Carrier and Coverage Data

Health Plan Carrier Name	Coverage Types Offered (Family, Single+1, Employee Only, etc.)	Number of Employees in Plan	Plan Deductible Amount
			\$
			\$
			\$
			\$

Fax or mail your completed Data Worksheet to TASC within 30 days:

(Fax) 608-245-3623

(Mail)

2302 International Lane
Madison, WI 53704-3140

Exhibit E – TASC Capital Connection Collateral

(Remainder of Page Left Intentionally Blank)

Christmas Comes Early for GOP

Posted on **December 21, 2017** by [jasonwestphal](#)

Lawmakers give final approval to Tax Cuts & Jobs Act conference committee report

The Republican led Congress celebrated passage of the biggest rewrite of the U.S. tax code in decades on Wednesday. President Trump will soon affix his signature to the \$1.5 trillion overhaul that is expected to have broad and far reaching implications for both individual and corporate finances....making good on his promise to deliver tax cuts before the holidays.

Key provisions affecting employee benefits are summarized below (changes are effective January 1, 2018 unless otherwise noted).

Fringe Benefit Provisions

Dependent Care – No change to current law.

Note: Under

the House proposal, employer-provided dependent care assistance would no longer have been tax exempt; meaning dependent care FSAs would have been eliminated.

Transportation – Repeals employer deduction for any qualified transportation fringe benefit.

Employers may not deduct any expense incurred in providing, paying or reimbursing employee commuting expenses. These benefits will continue to be tax exempt for employees.

Bicycle Commuting – Qualified bicycle commuting expenses will no longer be tax exempt to employees effective for tax years between 2017 and 2026 (provision sunsets after 2025).

Health-related Provisions

Individual Mandate – Repealed; reduces the penalty for not purchasing insurance coverage to zero. Effective beginning in 2019.

Medical Expense Deduction – For 2017 and 2018, the deduction threshold will be reduced from 10% to 7.5% (of AGI). For 2019 and beyond, the threshold returns to 10%.

Archer MSAs – No change to current law.

Note: Under

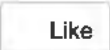
the House proposal, these tax deductible contributions would have been prohibited.

Earlier versions of tax reform would have eliminated or placed a cap on the tax exclusion for employer-provided health care, but – due in part to the efforts of entities like TASC – those proposals were never included in the legislation ultimately considered by the House and Senate. On the flip side, some of our other (pro-active) priorities, like the establishment of Flexible Giving

Accounts and repeal of the Cadillac Tax were also left on the cutting room floor. While unfortunate, we will continue to press Congress to address these important issue in 2018.

HAPPY HOLIDAYS!

SHARE THIS:



Be the first to like this.

RELATED

[Congress kicks the can down the road](#)

In "Healthcare Reform"

[Obama's Budget Proposal Tweaks Cadillac Tax](#)

In "Healthcare Reform"

[Repeal & Replace: ACA remains law of the land](#)

In "Compliance"

This entry was posted in [Compliance](#), [PPACA](#) by [jasonwestphal](#). Bookmark the [permalink](#) [<https://tasccapitalconnection.com/2017/12/21/christmas-comes-early-for-gop/>].

☺

Congress kicks the can down the road

Posted on [January 23, 2018](#) by [jasonwestphal](#)

Cadillac Tax delayed (again); repeal effort maintains strong bipartisan support

On Monday, President Trump signed legislation that will fund the government for another three weeks, thereby ending the three-day government shutdown. The bill includes a provision which delays the effective date of the excise tax on high-cost employer-sponsored health plans for two additional years, until 2022.

Originally included as part of the Affordable Care Act, the tax was an attempt to discourage workers from over-consuming healthcare. The belief/rationale was that many were buying unnecessarily expensive plans; however, opponents argued that the 40% rate on employers offering those plans was too punitive. Initially set to take effect in 2018, it was then postponed until 2020.

The move to delay implementation of the Cadillac Tax yet again is viewed as crucial for maintaining strong employee benefits, because companies typically make health plan decisions well in advance (i.e. 18 to 24 months). This reprieve allows employers to maintain the health coverage working families want and need.

TASC continues to believe that full repeal is the only real solution to this onerous tax, and looks forward to working with the Trump Administration and Congressional leaders...so employers aren't forced to choose between paying the tax or reducing benefits.

SHARE THIS:



Like

Be the first to like this.

RELATED

[Repeal & Replace: ACA remains law of the land](#)
In "Compliance"

[If at first you don't succeed...try, try again \(AND AGAIN\)](#)
In "Healthcare Reform"

[Obama's Budget Proposal Tweaks Cadillac Tax](#)
In "Healthcare Reform"

Gonna Fly Now?

Posted on [May 12, 2017](#) by [jasonwestphal](#)

GOP still likely a long way away from achieving seven year campaign pledge

On May 4, 2017, Republicans completed the first step in the long journey to repeal and replace portions of the ACA with the passage of the American Health Care Act (AHCA) – temporarily salvaging their mission to overhaul the nation's health system. Previously stalled due to objections, the bill mustered just enough votes in the House (217-213)* after the addition of amendments that would allow states to waive the ACA's essential health benefits package and insurance requirements for individuals with pre-existing conditions.

There are a number of provisions contained within the final version of the bill that may be of importance to TASC Providers/Clients. Here's a brief description...

Age 26: Retains the requirement that family policies cover grown children.

Cadillac Tax: Currently set to become effective in 2020, the effective date of the excise tax on high cost health plans will be pushed back until 2026.

Employer/Individual Mandates: Ends tax penalties on individuals who don't purchase health insurance and on large employers who don't offer coverage to their workers; allows insurers to apply a 30% surcharge to customers who've been uninsured for more than 60 days.

FSA Cap: The cap on employee contributions to a health FSA imposed under the ACA is eliminated for tax years after December 31, 2016.

HSA Catch-Up Contributions: The AHCA will permit both spouses to make additional catch-up contributions to a single HSA; effective for tax years after December 31, 2017.

HSA Contribution Limit: Under the AHCA, the maximum contribution to an HSA will be equal to the sum of the annual deductible and the out-of-pocket expense maximum for single or family coverage; effective for tax years after December 31, 2017.

HSA Distribution Tax: The ACA increased the excise tax on distributions not used for qualified medical expenses from 10% to 20%. Under the AHCA, that additional tax will revert back to 10% for distributions made after December 31, 2016.

HSA Establishment: Under current law/regulations, only medical expenses incurred after the establishment of an HSA are considered eligible for reimbursement. In an effort to address the administrative problems connected with this requirement, the AHCA provides that as long as the

HSA is established within 60 days of the date of health coverage, any medical expenses will be considered eligible regardless of whether they were incurred prior to the establishment of the HSA. This provision will be effective with respect to coverage after December 31, 2017.

Over-the Counter Medicines: The ACA provided that the only prescribed drugs/medicines or insulin would be considered qualified medical expenses eligible for reimbursement from a FSA, HRA or HSA. This provision would be eliminated for amounts paid or expenses incurred after December 31, 2016.

The nonpartisan Congressional Budget Office (CBO) was unable to complete an updated analysis detailing the effects of the latest changes in time for last week's vote...meaning GOP lawmakers acted on the bill without updated figures on how many people would lose coverage or how much it would cost.

The measure is expected to undergo a major overhaul in the Senate, as that body's politics are expected to prove far dicier than those in the House (i.e. much smaller and quite diverse Republican majority). Plus, the upper chamber operates on procedural rules that may block numerous parts of the AHCA. Senate Majority Leader Mitch McConnell has established a working group of 13 Senators to develop the Senate's bill. The content and timing of the Senate's version is not clear yet.

It's important to remember that this legislation is still pending, and has not been signed into law. At this time, the ACA (including all associated regulations and penalties) is still the law of the land; compliance is still required. TASC will continue to update you as this legislation moves through the political process to ensure our Providers/Clients compliance with the law.

** The bill was passed under budget reconciliation authority, so many provisions of the ACA could not be addressed or completely repealed by this bill.*

SHARE THIS:



Twitter



Facebook

Like

Be the first to like this.

RELATED

[Congress kicks the can down the road](#)

In "Healthcare Reform"

[Christmas Comes Early for GOP](#)

In "Compliance"

[Repeal & Replace: ACA remains law of the land](#)

In "Compliance"

This entry was posted in [Healthcare Reform](#), [PPACA](#) by [jasonwestphal](#). Bookmark the [permalink](https://tasccapitalconnection.com/2017/05/12/gonna-fly-now/) [<https://tasccapitalconnection.com/2017/05/12/gonna-fly-now/>].

Exhibit F – TASC IT Audit

Evidence of TASC's most recent IT Audit is **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

(Remainder of Page Left Intentionally Blank)

Exhibit G – TASC Flowcharts

TASC Flowcharts are **Confidential and Proprietary**, should not be shared with any entity other than the State of Arkansas, and will be omitted from the Redacted Technical CD.

(Remainder of Page Left Intentionally Blank)

Exhibit H – TASC Card Image

(Remainder of Page Left Intentionally Blank)



PROPOSAL PREPARED FOR

State of Arkansas

RFP No. SP-18-0099
Flexible Spending Accounts/
Health Savings Accounts/
Cafeteria Plan, and COBRA
Services

ANCILLARY INFORMATION

Submittal Date: April 4, 2018 2:00 p.m. CST

SUBMITTED TO:

State of Arkansas

Office of State Procurement
Angela Allman
1509 West 7th Street, Room 300
Little Rock, AR 72201-4222
p | 501.371.6156



PREPARED BY:

Stuart Bowie
Regional Vice President
o | 608.316.2656
e | Stuart.Bowie@tasconline.com

Table of Contents

TASC Communication Materials	3
TASC Member Communications.....	43
TASC Enrollment Materials.....	61
TASC Education Materials	153
TASC Disaster Recovery and Continuity Plan	410
TASC Privacy, Security and Breach Notification Policies and Procedures.....	420
TASC Reports	425

TASC Communication Materials

(Remainder of Page Left Intentionally Blank)

Plan Document and Plan Adoption Instructions

Important: Download and complete the Plan Document adoption process as instructed below and retain in your Plan Document file. Since these are your Plan Documents, you must keep the documents for your Plan records. Do not return them to TASC.

At the beginning of each Plan Year we recommend you repeat this process and download the Plan Documents for the new Plan Year. This will ensure that you have the most current terms for your Plan.

Adoption: The IRS requires that employers officially “adopt” a Cafeteria Plan, if offered. In order for this Plan to be tax advantaged you must have a person authorized by your corporate charter or bylaws adopt the Plan by signing the Employer Adoption section in Article XI

Customization: The Plan Document and required attachments described below are intended to comply with IRS requirements. As defined by the documents, the Plan includes the terms and administrative features that are recommended by TASC and encompass the vast majority of employer plans. If your Plan terms extend beyond those defined in the Plan Document, you may incorporate the additional terms or request TASC that TASC provide a Customized document. A fee is typically associated with customizing Plan Documents.

Enrollment Materials: In order to capture all items required in a Plan Document, the enrollment materials you provide to your employees must be incorporated by reference (made a part of the document). Each employer should file a copy of the enrollment materials for each Plan Year along with the adopted Plan Documents. Important information such as employer contributions, Plan maximums, enrollment deadlines, and the employee's actual cost to participate in the Plan are usually found in the enrollment materials.

Instructions:

1. Review this information; complete and maintain/submit as instructed below for the Plan Document and all other applicable documents for your Plan.
 - a. **Premium Only Plans (POPs)** – If you have a POP only, you need only download and adopt the Plan Document. No other benefits components apply.
 - b. **Full FSAPLans** – Download the Plan Document and all applicable benefits components for your Plan. Complete and maintain/submit as instructed.
 - c. **Full FSA and POPs** – Complete the Adoption Agreement in Article XI of the Plan Document.
2. Retain the Adoption Agreement and all Plan Documents for your records (do not send to TASC).

3. **Standard Plan Document PDF:** A single pdf is available for download that includes the TASC standard Plan Document and forms. If your Plan includes only these standard forms, you may download the single pdf rather than each individual form.

Plan Document Adoption Agreement (Article XI Completion): Several key items in Article XI must be completed.

11.01 Employer Adoption: Provides for the adoption of the Plan and is a requirement for tax advantaged plans. This is signed by a person authorized by your corporate charter or bylaws. The Employer Adoption date is the actual date this Plan Document is effective unless the restated date entered in Section 11.03 is a future date (for a new Plan Year). Then it will be effective on the first day of the new Plan Year.

11.02 Plan Year: Requires the insertion of the 12 month Plan Year. If a short Plan Year applies at renewal, the appropriate dates should be entered. *For example*, if you are changing your Plan Year from a calendar year to one that starts in July, enter the Plan Year as July 1, 2012 to June 30, 2013 with the short Plan Year beginning January 1, 2012 and ending June 30, 2012.

11.03 Effective Date: Enter the first day the Plan was in existence as the original effective date (if you have an existing Plan). You may find this date for an existing Plan on prior Plan Documents or on your Form 5500, if applicable. Enter the restated date as the first day of the current or new Plan Year in which this document is effective.

11.04 and 11.05 Eligible Employee & Commencement of Participation: Under Section 125 only one employment requirement is allowed for each cafeteria plan. Separate plans are required when different employment requirements apply for different classes of employees. The TASC Audit Guarantee will not apply to plans with separate employment requirements unless the Plans pass the regulation non-discrimination testing module. TASC has this service available through the TASC Non-Discrimination Testing offering.

(The TASC Assessment is not applicable for Plans with separate employment requirements.)

Beginning with the first Plan Year starting on or after January 1, 2014, an employer's health insurance premium benefit plan may not have a waiting period that exceeds 90 days. In addition, in order for the Health FSA to retain an excepted benefit status, the Health FSA must have a waiting period that is equal to or greater than the underlying premium benefits waiting period. If the Health FSA has a longer waiting period than the premium benefit, two separate Plan Documents are required.

11.06 Qualified Benefit Plans: This section details what Qualified Benefit Plans are offered under the Plan and directs the Employee to the literature regarding these plans. TASC provides enrollment information and Summary Plan Descriptions (SPD) that include the appropriate literature for the Non-Employer Sponsored Premium Account Plan for individual Health Plans (NESP), the Medical or Medical-Related Expense Reimbursement Benefit (Health FSA), and the Dependent Care Benefit Plan. Download a copy of the SPD and forms and attach it to your Plan Documents.

If you sponsor a **Health Savings Account (HSA)**, Supplemental Insurance (Voluntary Indemnity Plans), Disability Insurance Premiums or Voluntary/Group Term Life Insurance you will also need to include the applicable forms with your Plan Document(s).

If you sponsor a **Non-Employer Sponsored Premium Account (NESP)** benefit, you must also offer your Employees Group Health Insurance. An Employer that does not offer Group Health Insurance is not eligible to offer this benefit.

Additional Documents

Standard Plan Document PDF: TASC has created a single document that contains all of the TASC standard Plan Documents and instructions. Simply download this document and complete the required sections as noted above and retain in your Plan Document file.

Grace Period: If your Plan includes a grace period you must complete the Grace Period Amendments for the following benefits, as pertinent (if included in your Plan): Health FSA, Dependent Care FSA, and Non-Employer Sponsored Premium Benefits.

If you elect the Carryover for your Health FSA, the Grace Period cannot be elected for that benefit. One amendment applies for each benefit type. Attach these documents to your Plan Document.

Health FSA and the Heart Act: Federal law allows an employer to cash out a Health Flexible Spending Account when a Participant is called to active military duty. To allow a cash out of an employee's election at the time of deployment, download the Heart Act Amendment. While including this document in the Plan is deemed optional, doing so is standard in the TASC online Summary Plan Description (SPD). If you choose not to include this in your Plan, a customized SPD will be required. Additional fees may apply.

Limited Health FSA: If your Plan includes a Health FSA and a Health Savings Account (HSA), you need to select this document. You will also need to indicate the applicable types of Health FSA(s) offered under your Plan (Limited Health FSA, Limited Post-deductible Health FSA, and if applicable the Full Health FSA).

SIMPLE Health FSA: For a SIMPLE Plan, you need to select this document and complete the required information in Article II. The two different SIMPLE documents reflect method of contribution selected. Be sure to select the document that matches your contribution method.

Please note: If you completed a SIMPLE addendum, you may have retained a copy of the signed Addendum to file with your Plan Document. If you have no copy, you will need to download this document and complete Article II.

Dependent Care Spend Down: Employers choose this option to allow Participants who terminate to continue to incur and submit Dependent Day Care claims with service dates after termination through the last day of the Plan Year. If you include this in your Plan, download the Dependent Care Spend Down document. Please note you may need to manually set the Dependent Care eligibility end date for each terminated Dependent Care Participant if this option is included in your Plan.

Carryover Opt-Out Amendment-HFSA: To remove the Health FSA Carryover option from your Plan, select this document.

Non-Excepted Health FSA (NEFSA): Select this document if you have a Non-Excepted Health FSA and offer Group Health Insurance to your Employees. An Employer that does not offer Group Health Insurance is not eligible to offer this benefit.

A Health FSA may be a non-excepted benefit if any one of the following applies (1) employer does not offer other non-excepted group health plan coverage (e.g., major medical) (2) employer contributes more than \$500 to a Participant's Health FSA (3) plan eligibility allows employees to be eligible for the Health FSA before the Non-Health FSA benefit (e.g., the Health FSA allows participants to be eligible on date of hire and the Non-Health FSA benefit has a 60 day waiting period).

An employer with a NEFSA is subject to the additional compliance requirements below:

- All terminated participants must be provided a COBRA notice; and
- Plan is subject to 18 months of COBRA; and Plan is subject to Patient-Centered Outcomes Research Institute (PCORI) Fees; and
- Provide participants a Summary of Benefit Coverage (SBC); and
- The waiting period for the Plan cannot be greater than 90 days.

To help Employers with the additional compliance requirements, TASC has a generic NEFSA COBRA Notice and a generic template for the SBC that is available to the Employer upon request.

.....

Plan Document

Article I: Table of Contents

Article I	Table Of Contents	Article VI	Elections
		6.01	Available Benefits
Article II	Purpose	6.02	Election Maximum Amounts
2.01	Creation and Title	6.03	Failure to Elect
2.02	Effective Date	6.04	Effective Periods for Elections
2.03	Purpose	6.05	Change in Status Events
		6.06	Non-Discrimination
Article III	Definitions	Article VII	Contributions
3.01	Change in Status Event	7.01	Employer Contributions
3.02	Code	7.02	Employee Salary Reductions
3.03	Compensation	7.03	Administrative Fees
3.04	Dependent	7.04	Increases or Decreases in Premium
3.05	Effective Date		
3.06	Eligible Employee	Article VIII	Records and Reports
3.07	Employee	8.01	Responsibility
3.08	Employer	8.02	Examination of Records
3.09	Enrollment Communication		
3.10	Participant	Article IX	Plan Termination
3.11	Plan Year	9.01	Plan Termination
3.12	Qualified Benefits Plan	9.02	Rights to Terminate
3.13	Spouse		
Article IV	Administration	Article X	Plan Construction
4.01	Employer's Duties	10.01	Taxation
4.02	Information to be Provided to the Employer	10.02	Adoption by Related Organizations
4.03	Interpreting Plan Terms	10.03	Uniform Exercise of Powers
4.04	Misstatements	10.04	Construction
4.05	Review Procedures	10.05	Entire Document
4.06	Rules Apply Uniformly	10.06	Severability
4.07	Facility of Payment	10.07	Benefits Provided through Third Parties
4.08	Information to be Furnished	10.08	Rights Against the Employer
4.09	Medical Child Support Orders	10.09	Successor-Businesses
Article V	Eligibility and Participation	Article XI	Plan Adoption and Schedule
5.01	Eligibility Requirements	11.01	Employer Adoption
5.02	Current Employees at the Time of Plan Inception	11.02	Plan Year
5.03	New Employees	11.03	Effective Date
5.04	Re-Employment of Former Employees	11.04	Eligible Employee
5.05	Becoming a Participant	11.05	Commencement of Participation
5.06	Notification to Employees	11.06	Qualified Benefits Plans
5.07	Termination of Participation		
5.08	Family Medical Leave Act		
5.09	Uniformed Services Employment & Reemployment Rights Act (USERRA)		
5.10	Layoff, Leave of Absences and Sabbaticals		

Article II: Purpose

- 2.01 **Creation and Title.** The Employer adopts this Cafeteria Plan as indicated by the Employer signature in Article XI - 11.01, and creates this Cafeteria Plan under the terms and conditions set forth in this Plan Document as well as through the Enrollment Communications that are expressly incorporated by reference into this Plan Document and described in Article XI - 11.06.
- 2.02 **Effective Date.** The original Effective Date of this Cafeteria Plan and the Effective Date of this Plan Document are identified on the Plan Schedule, see Article XI.
- 2.03 **Purpose.** The Plan allows Participants to elect between cash Compensation or certain nontaxable Qualified Benefits Plans maintained by the Employer as identified on the Plan Schedule, see Article XI. The Employer intends that this Plan qualify as a Cafeteria Plan under Section 125 of the Internal Revenue Code. Notwithstanding any term in this Plan Document, if any term is found to be in conflict with federal or state law, the term will automatically be amended to comply with the federal or state law.

Article III: Definitions

- 3.01 **Change in Status Event.** A Change in Status Event allows a Participant to revoke or change his/her pre-tax election during the Plan Year, and outside of the scheduled open Enrollment period. The Employer allows all of the Change in Status Events published by the IRS for this type of Plan under 26 CFR 1.125-4, as amended. A Participant who becomes eligible under the Health Insurance Portability & Accountability Act of 1996 ("HIPAA") for coverage under an accident or health benefit offered by the Employer will be allowed to make a consistent election, or election change under this Plan.
- 3.02 **Code.** The Internal Revenue Code of 1986, as amended from time to time.
- 3.03 **Compensation.** All the earned income, salary, wages and other earnings paid by the Employer to a Participant during a Plan Year, including any amounts contributed by the Employer pursuant to a salary reduction agreement which are not includable in gross income under Sections 125, 402(g)(3), 402(h), 403(b) or 457(b) of the Internal Revenue Code.
- 3.04 **Dependent.** For the purpose of the tax advantages available under this Plan, a Dependent is an individual who is a dependent of a Participant within the meaning of Section 152(a) of the Internal Revenue Code, and any child of the Participant to whom IRS Rev. Proc. 2008-48 applies (regarding certain children of divorced or separated parents who receive more than half of their support for the calendar year from one or both parents and are in the custody of one or both parents for more than half of the calendar year). For the purposes of the tax advantages available under Qualified Benefit Plans that provide accident and health benefits as defined under Sections 105 and 106 of the Code, a Dependent is determined without regard to Subsections (b)(1), (b)(2), and (d)(1)(B) thereof and includes any child (as defined in Code § 152(f)(1)) of the Participant who at the end of the taxable year has not attained age 27.
- 3.05 **Effective Date.** The date specified in the Plan Schedule, see Article XI, on which the Plan was first effective, and the date that this Plan Document is in effect.

- 3.06 **Eligible Employee.** An Employee who is eligible to participate in the one or more Qualified Benefits Plans sponsored by the Employer, limited to Employees as defined below who meet the additional requirements in the Plan Schedule, see Article XI, and not including the following:
- (a) Employees who are Non-Resident Aliens (within the meaning of Section 7701(b)(1)(B) of the Internal Revenue Code) who are deriving no earned income (within the meaning of Section 911(d)(2) of the Code) from the Employer which constitutes income from sources within the United States (within the meaning of Section 861(a)(3) of the Code); and,
 - (b) Employees who are self-employed individuals (as described in Section 401(c) of the Internal Revenue Code) including sole proprietors, partners in a partnership, or more than 2% owners of subchapter "S" Corporations. This exclusion applies to the Spouse, children, parents, and grandparents under the Code Section 318 attribution rules.
- An Eligible Employee will also meet any additional conditions and terms as defined in the Enrollment Communication.
- If an Employee is not eligible to participate in this Plan and allowed to participate under any Qualified Benefits Plan, then the Employee cost will be paid with taxable income, and the Compensation will not be reduced by the Employer.
- 3.07 **Employee.** An Employee is a person who is currently or hereafter employed by the Employer, or by any other Employer aggregated under Sections 414(b), (c), (m), (n), or (o) of the Internal Revenue Code and the regulations thereunder, including a leased Employee subject to Section 414(n) of the Code.
- 3.08 **Employer.** The Employer adopting this Plan under Article XI, and any affiliate or subsidiary that, with the consent of the Employer becomes an Employer, by adopting the Plan, or any successor business organization that assumes the obligations of the Employer.
- 3.09 **Enrollment Communication.** The Employer will provide a written Enrollment Communication at open Enrollment and during the Plan Year for midyear enrollees. The Enrollment Communication will provide the specific process for Enrollment in the Qualified Benefits Plans. The Enrollment Communication is expressly incorporated by reference into this Plan Document. Enrolling in a Qualified Benefits Plan will automatically enroll you in the Medical or Medical-Related Premium Plan. There is no separate Enrollment form for the Medical or Medical-Related Premium Plan.
- 3.10 **Participant.** Any person who has been or is an Eligible Employee and who qualifies to participate and enrolls in a Qualified Benefits Plan.
- 3.11 **Plan Year.** Commencing on the first day of the Plan Year and each anniversary thereof, except that the first Plan Year may include a period of fewer than twelve (12) consecutive months. The Plan Year is identified on the Plan Schedule, see Article XI.
- 3.12 **Qualified Benefits Plan.** Employer-sponsored plans that are allowed tax advantages under this Plan pursuant to Section 125(f) of the Internal Revenue Code.
- 3.13 **Spouse.** An individual who is legally married to a Participant but is not separated from a Participant under a decree of legal separation.

Article IV: Administration

- 4.01 **Employer's Duties.** In addition to any rights, duties or powers specified in this Plan Document, the Employer will have the following rights, duties, and powers:
- (a) to interpret the Plan, to determine the amount, manner and time for payment of any benefits under the Plan, and to construe or remedy any ambiguities, inconsistencies or omissions under the Plan;
 - (b) to adopt and apply any rules or procedures to ensure the orderly and efficient administration of the Plan, and from time to time, amend or supplement such rules and regulations;
 - (c) to determine the rights of any Participant, Spouse, or Dependent to benefits under the Qualified Benefit Plans;
 - (d) to develop appellate and review procedures for any Participant, Spouse, or Dependent denied benefits under the Plan;
 - (e) to maintain records it may require in connection with the proper administration of the Plan;
 - (f) to employ any agents, attorneys, accountants or other parties (who may also be employed by the Employer) and to allocate or delegate to them such powers or duties as is necessary to assist in the proper and efficient administration of the Plan, provided that such allocation or delegation and the acceptance thereof is in writing;
 - (g) to correct any defect, supply any omission, or reconcile any inconsistency in the Plan in such a manner and to such extent as it shall be deemed expedient to administer the Plan;
 - (h) to amend or terminate this Plan.
- 4.02 **Information to be Provided to Employer.** The Employer, or any of its agents, will collect employment records of Participants under the Plan. These records will include, but will not be limited to, any information regarding period of employment, leaves of absence, salary history, termination of employment, or any other information the Employer may need for the proper administration of the Plan.
- A Participant will furnish the Employer the data the Employer reasonably requests to ensure the proper and efficient administration of the Plan, with documentation for items such as proof of relationship as needed.
- 4.03 **Interpreting Plan Terms.** Any interpretation of any provision of this Plan made in good faith by the Employer as to the terms of this Plan is final and will be binding upon the parties.
- 4.04 **Misstatements.** Any misstatement or other mistake of fact will be corrected as soon as reasonably possible upon notification to the Employer and any adjustment or correction attributable to such misstatement or mistake of fact will be made by the Employer as he considers equitable and practicable.
- 4.05 **Review Procedures.** An Employee or his/her authorized representative can appeal a decision made to deny Enrollment in a Qualified Benefits Plan or a decision to disallow an election change by sending a written request for an appeal to the Employer within 60 days of the decision to deny Enrollment or an election change.
- The appeal will be performed in a manner that does not afford deference to the initial determination and will be conducted by the Employer or designee.
- A Participant can request, free of charge, reasonable access to, and copies of, all documents and records relevant to the decision.
- Benefit appeals for denied claims are addressed in the Qualified Benefits Plan descriptions provided by the Employer.
- 4.06 **Rules Apply Uniformly.** The Employer will perform assigned duties in a reasonable manner and on a nondiscriminatory basis, and will apply uniform rules to all Participants similarly situated under the Plan.

- 4.07 **Facility of Payment.** Whenever a Participant who is entitled to receive a benefit under this Plan is under legal disability or is incapacitated to be unable to manage his/her financial affairs, the Employer may make payments to the Participant's legal representative, relative, or for the benefit of such Participant in such manner as the Employer considers advisable. Any such payment of a benefit in accordance with the provisions of this document shall be a complete discharge of any liability for the making of such payment under the provisions of this Plan.
- 4.08 **Information to be Furnished.** Participants shall provide the Employer with such information and evidence, and shall sign such documents, as may be requested reasonably from time to time for the purpose of administering the Plan.
- 4.09 **Medical Child Support Orders.** The Employer will adhere to the terms of any judgment, decree, or court order (including a court's approval of a domestic relations settlement agreement) which complies with federal or applicable state law. The Employer will comply with the administrative requirements described under 29 USC Sec. 1169 relating to Qualified Medical Child Support Orders (QMCSO), including any federal regulations or state laws relating to the same. On the date coverage is provided as directed by a QMCSO the Employee-parent will become eligible to participate in this Plan in order to pay his/her share of the cost of the coverage on a pre-tax basis.

Article V: Eligibility and Participation

- 5.01 **Eligibility Requirements.** Each Employee who enrolls in a Qualified Benefits Plan must be eligible to participate in this Plan to receive the tax advantages made available under this Plan. The eligibility for this Plan is set forth in the Plan Schedule, see Article XI.
- 5.02 **Current Employees at the Time of Plan Inception.** At the time of Plan adoption, all non-excluded Employees who meet the eligibility requirements may participate.
- 5.03 **New Employees.** New Employees engaged for employment after the Plan adoption, who meet the eligibility requirements, may participate in the Plan the next following entry date as indicated in the Plan Schedule, see Article XI.
- 5.04 **Re-employment of Former Employees.** Unless the Employer provides differently in the Enrollment Communications, the treatment of re-employed former Employees shall be as follows. A Participant whose employment terminates and is subsequently re-employed within 30 days of his/her separation of service and within the same Plan Year will immediately rejoin the Plan with the same Benefit elections.
- Should the Participant return within 30 days of his/her separation of service during the following Plan Year, the Participant will be allowed to change elections through the Plan Enrollment process.
- A Participant whose employment terminates and who is subsequently re-employed with more than 30 days separation of service will need to re-satisfy Plan eligibility requirements to rejoin the Plan.
- Any unused reimbursement Benefits Account balance prior to the initial separation of service date will be forfeited.
- 5.05 **Becoming a Participant.** To become a Participant, an Eligible Employee shall enroll in a Qualified Benefits Plan by any application, agreements, or process as may be required by the Employer at the time of Enrollment. The Enrollment Communication provided by the Employer at the time of Enrollment will define the process for becoming a Participant. By completing the Enrollment process, the Employee shall be deemed for all purposes to have agreed to participate and to conform to the Plan requirements. An Employee, electing to participate in the Plan, is choosing to participate for the entire Plan Year.

The annualized sum of salary reduction benefit elections shall constitute a current obligation of the Employee to the Employer. Such obligation may be revoked or changed only when the Employee has experienced and documents a Change in Status Event, when the request is consistent with the event, and notice is provided to the Plan within 30 days.

5.06 **Notification to Employees.** The Employer will communicate (in writing) to all Participants the terms and conditions of this Plan through administrative communications at the time of Enrollment and as needed during the Plan Year. These communications are expressly incorporated by reference into this Plan Document.

5.07 **Termination of Participation.** A Participant will automatically cease to be a Participant on the earliest of the following dates:

(a) the date on which this Plan or any Qualified Benefits Plan is terminated by the Employer;

(b) the end of the Plan Year, unless the Participant enrolls in a Qualified Benefits Plan for the next Plan Year;

(c) the date on which the Participant fails to pay any required premium (including payment by salary reduction);

(d) when the Participant's employment with Plan Sponsor is terminated this Plan will terminate on the earlier of the day of the termination or the day using the rule stated in the SPD, whether termination is initiated by the Participant or the Plan Sponsor, however the Participant's election can continue to be used for one or more of the Qualified Benefit Plans for the specified period of time communicated in the SPD.

Participation under each Qualified Benefit Plan is described in the materials provided by the Employer; see Article XI Section 11.6 for a list of plans and literature available from the Employer.

5.08 **Family Medical Leave Act.** The Family & Medical Leave Act of 1993 (29 U.S.C. 2611) as amended, is referred to as FMLA. FMLA Leave will not be available to Employees for Plan Years in which the Employer has fewer than 50 Employees as counted in that Act.

For Plan Years in which the Employer has 50 or more Employees, the Employer is required to make FMLA Leave available to Eligible Employees under circumstances that are prescribed by applicable federal law, including a period in which an Employee is off due to the FMLA shall be treated in accordance with the rules for a layoff or a leave of absence and provided to the extent required by the FMLA (e.g., the Employer will continue to pay its share of the contribution to the extent the Participant opts to continue coverage). If the Employer is subject to the FMLA, a Participant may revoke or continue an election through the Plan upon commencement of the FMLA Leave, whether such leave is paid or unpaid. This provision applies in addition to any other right to revoke and reelect benefits under the Plan. Upon return from FMLA Leave, a Participant may be reinstated to all pre-leave elections.

5.09 **Uniformed Services Employment & Re-employment Rights Act (USERRA).** The Employer shall permit Participants to continue benefits elections as required under the Uniformed Services Employment & Reemployment Rights Act and shall provide such reinstatement rights as required by such law.

5.10 **Layoff, Leave of Absences, and Sabbaticals.** Continuation under the Plan may occur in one of the following ways:

(a) In the case of a planned layoff, an Employee may be able to pre-fund a Qualified Benefits Plan through the end of the planned leave or the end of the Plan Year.

(b) During the period which the Employee is off and receiving a salary, the pre-tax deductions may continue. If the Employee is not receiving a salary, he/she may continue to fund his/her election with after-tax dollars while on leave. (Payment schedule to be agreed upon between the Employer and Employee prior to the commencement of the leave.)

Article VI: Elections

6.01 **Available Benefits.** The Qualified Benefits Plans offered under this Plan are listed on the Plan Schedule; see Article XI. The option for an Employee to make after-tax contributions for certain Qualified Benefits Plans will be communicated by the Employer at the time of Enrollment.

6.02 **Election Maximum Amounts.** Each Participant shall elect any combination of the benefits made available. No Participant may choose available benefits costing more than the maximum amount, if any, as indicated in the Qualified Benefits Plan. The maximum election amounts will be included in the Enrollment Communication and the literature available for each Qualified Benefits Plan.

6.03 **Failure to Elect.** A Participant failing to complete the Enrollment process on or before the specified due date for the Plan Year, or a midyear enrollee during the Plan Year, shall be deemed to have elected to receive his full Compensation in cash. The Employer will communicate any applicable Enrollment deadlines in writing at the time of Enrollment.

6.04 **Effective Periods for Elections.** The election must be made by each Participant prior to the commencement of each Plan Year, and shall be irrevocable except as provided for in a Change in Status Event that would allow an election change. Participants may not carry over any unused contributions or available benefits from one Plan Year to a subsequent Plan Year unless the Plan Schedule indicates that the Plan has incorporated the Grace Period or the Plan document includes a limited Carryover for the Medical-Related Expense Reimbursement Benefit Plan. Further, Participants may not use any contributions from one Plan Year to purchase any available benefits that will be provided in a subsequent Plan Year.

6.05 **Change in Status Events.** No Participant in the Plan will be allowed to alter or discontinue the Participant's benefits elections during a Plan Year except when due to and consistent with a Change in Status Event.

These Status Events include the Change in Status Events described in Notice 2014-55 that allow a Participant to revoke his/her election of coverage under the group health plan to enroll in Exchange coverage. Enrollment requests must be made within 30 days of the Change in Status Event and be consistent with the event. Notwithstanding, an Employee can make a prospective change to a Health Savings Account (HSA) election under this Plan during the Plan Year without having a Change in Status Event.

A Change in Status Event allows a Participant to change his/her contribution election during the Plan Year, and outside of the scheduled open Enrollment period. The Employer has elected to allow all of the Change in Status Events published by the IRS for this type of plan. An unpermitted election change will cause the elected benefit to be included in a Participant's gross income and can disqualify the Plan from tax preferred status.

Upon the occurrence of a Change in Status Event, the Participant will notify the Employer within 30 days and complete the forms provided by the Employer. The Employer can require additional documentation for evidence of the event. The new election will be effective prospectively and will apply only to those benefits accruing to the Participant, the Participant's Spouse, or the Participant's Dependents after the effective date of the election change. With respect to an election change under the special Enrollment period provisions of HIPAA, "timely submitted" will mean submitted no later than the last day of such special Enrollment period.

6.06 **Non-Discrimination.** The Plan is not intended to discriminate in favor of highly compensated individuals or key Employees as to eligibility to participate or contributions and benefits as required by the Code.

The Employer may exclude or limit certain highly compensated individuals from participation in the Plan, in the Employer's judgment, such actions serve to assure that the Plan does not violate applicable non-discrimination rules. The Employer can make necessary adjustments to Employee contributions during the Plan Year to assure that the Plan passes the required discrimination tests.

Article VII: Contributions

- 7.01 **Employer Contributions.** The Employer will contribute out of its general assets the amounts necessary to meet its obligations under the Plan. Unless the Employer provides differently in the Enrollment Communication or separate Plan Documents for the various Qualified Benefits Plans, there are no segregated funds established to collect or maintain the contributions. Contributions to the Plan for any Plan Year will be limited to the amounts necessary to pay for the Qualified Benefits Plans elected by the Participants.

The Employer may provide additional contributions in the way of cash or spending credits that can be used for any Qualified Benefits Plan, or used in a limited manner as defined by the Employer. The Employer may make defined contributions to specific Qualified Benefit Plans. The Enrollment Communications will include the amount of any Employer contribution, the rules defining how the Employer contributions can be used by the Participants, and any limitations on the use of Employer contributions. Employer contributions will continue to be provided while on approved FMLA Leave to the same extent provided to an Employee actively at work.

- 7.02 **Employee Salary Reductions.** The Participant shall agree to reduce his/her Compensation from the Employer by such amounts as are necessary to provide for those Qualified Benefits Plans which the Participant has elected. "Employee" salary reduction amounts are "Employer" contributions for purposes of Internal Revenue Code Section 125 and its applicable regulations. No Participant shall have, by virtue of the Plan, any interest in any specific asset or assets of the Employer. A Participant has only an unsecured contractual right to receive the benefits defined and limited by the Qualified Benefits Plans.

- 7.03 **Administrative Fees.** The Employer may charge the Employee reasonable cafeteria plan administrative fees. If any administrative fees are required, the Enrollment Communication will include the amount of the administrative fee and whether it is withheld from the Employee's salary reduction.

- 7.04 **Increases or Decreases in Premium.** The Employer reserves the right to increase the Participant's share of any Premiums and decrease the Employer's share by a like amount. The Employer will notify Participants prior to raising the Participant's obligations. If the premium or required contribution for any Qualified Benefits Plan increases or decreases during the Plan Year, a Participant's contributions will increase or decrease automatically in an amount sufficient to pay for such increase or decrease. However, in the case of an increase in premium, if a similar benefit is offered under the Plan at the time of said increase, the Participant may select such similar benefit rather than pay the increase.

The Employer reserves the right to reduce the Participant's share of any Premiums and increase the Employer's share by a like amount. The duration of this "Premium Holiday" is at the Employer's discretion and will be communicated by the Employer. As this is considered to be temporary, Participants are not considered to have incurred a Change in Status should the Employer invoke this option.

Article VIII: Records and Reports

- 8.01 **Responsibility.** The Employer shall exercise authority and responsibility to comply with the Plan relating to Participant records, balances, and benefits payable under this Plan. The Employer also shall be responsible for all Plan reporting and disclosure requirements.
- 8.02 **Examination of Records.** The Employer will make each Participant's records under the Plan available for his/her examination at reasonable times and during normal business hours.

Article IX: Plan Termination

- 9.01 **Plan Termination.** The Plan or any portion of the Plan shall be subject to termination at any time by the Employer, provided however, that such termination shall not affect any right or claim arising under the Plan prior to termination. Any unclaimed funds shall become payable as the Employer may direct. Such direction may include, but not be limited to a continuation of the Plan in order to pay balances in accordance with elected benefits.
- 9.02 **Rights to Terminate.** In accordance with the procedures set forth in this section, the Employer may terminate the Plan at any time. In the event of a dissolution, merger consolidation, or reorganization of the Employer, the Plan shall terminate unless the Plan is adopted and continued by a successor to the Employer in accordance with the resolution of its Board of Directors.

Article X: Plan Construction

- 10.01 **Taxation.** The Employer intends that this Plan be in compliance with Section 125 of the Internal Revenue Code, and therefore, the Employer may deduct the amount paid for the benefits provided from federal income and employment taxes.
- This Plan has not been submitted to the Internal Revenue Service, and there is no assurance that the intended tax benefit under this Plan will be realized.
- Neither the Employer nor its designated representatives makes any commitment or guarantee that any amounts elected or paid for the benefit of a Participant will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant.
- It shall be the obligation of each Participant to determine whether each payment is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable.
- Any Participant, by accepting a benefit under this Plan, agrees to be liable for any tax penalties and interest which may be imposed by the Internal Revenue Service with respect to these benefits.

- 10.02 **Adoption by Related Organizations.** Upon the approval of the Employer, this Plan may be adopted by any organization in affiliation with the Employer. For the purpose of this Plan affiliated organizations are described in Section 414(b), (c) or (m) of the Internal Revenue Code. The adopting organizations shall execute and deliver to the Employer a supplemental agreement providing for the adoption of this Plan and such other documents as the Employer deems necessary or desirable. The provisions of this Plan shall be applicable to such organization to the extent provided in the supplemental agreement.
- 10.03 **Uniform Exercise of Powers.** In the exercise of any of its powers, duties and discretion under this Plan, and within the scope of its authority, and in all of its acts, decisions, and determinations hereunder, the Employer shall at all times act in good faith and in a non-discriminatory manner and shall follow a consistent policy on comparable issues. All Employer actions and determinations shall be duly recorded. All such records, together with such other documents as may be necessary for the administration of this Plan, shall be preserved. Decisions regarding any Employer-disputed questions relative to the rights of a Participant hereunder and upon all matters within the scope of its authority shall be final and binding on all parties in interest.
- 10.04 **Construction.** No provision of this Plan shall be construed to conflict with any Treasury Department, Department of Labor, or Internal Revenue Service Regulation, Ruling, Release, or Proposed Regulation or other order which affect, or could affect, the terms of the Plan. This Plan will be in compliance with any changes related to the Internal Revenue Code. This 125 Plan is not subject to the Employee Retirement Income Security Act of 1974 (ERISA); however the Qualified Benefits Plans offered by the Employer can be subject to ERISA. Refer to the Qualified Benefits Plan for details.
- 10.05 **Entire Document.** This document, including any appendices or supplements thereto, shall constitute the entire and complete document, and as such shall govern the rights, liabilities and obligations of the Plan, except as the Plan may be modified.
- 10.06 **Severability.** In the event any provisions of this document shall be held illegal or invalid for any reason by law or a court of competent jurisdiction, said illegality or invalidity shall not affect the remaining provisions included herein either initially, or beyond the date said provisions are first held to be illegal or invalid, provided the basic purposes hereof can be affected through the remaining valid and legal provisions.
- 10.07 **Benefits Provided through Third Parties.** In the case of any benefit provided through a third party, such as an insurance company, pursuant to a contract or policy with such third party, if any conflict or inconsistency exists between the description of benefits contained in this Plan and such contract or policy, then the terms of such contract or policy shall control.
- 10.08 **Rights Against the Employer.** Neither the establishment of the Plan, nor any modification thereof, nor any distribution hereunder, shall be construed as giving to any Participant or any person whomsoever any legal or equitable rights against the Employer, its shareholders, directors, or officers, as such, or as giving any person the right to be retained in the employ of the Employer.
- 10.09 **Successor-Businesses.** Unless this Plan be sooner terminated, a successor to the business of the Employer, by whatever form or manner resulting, may continue this Plan by appropriate supplemental agreement.

Article XI Plan Adoption and Schedule

- 11.01 **Employer Adoption.** By signing this Plan Document, the Employer identified below represents that it has formally adopted this Cafeteria Plan.

Employer: _____

By: _____

Printed: _____

Title: _____

- 11.02 **Plan Year.** The Plan Year is from

_____, 20 ____ to

_____, 20 ____.

The Plan will continue to renew and operate on this 12 consecutive month Plan Year unless changed by the Plan Sponsor.

There is a short Plan Year beginning

_____, 20 ____ and ending

_____, 20 ____.

(If left blank, there is no short Plan Year.)

- 11.03 **Effective Date.** This Cafeteria Plan was

originally effective on _____,

20 ____.

This Cafeteria Plan has been created or restated by this Plan Document

effective _____, 20 ____.

- 11.04 **Eligible Employee.** An Employee who meets the definition of an Eligible Employee, 3.06, and the requirements in 11.04, can enroll in this Plan by completing the process outlined in the Enrollment Communications.

An Eligible Employee must be regularly scheduled to work _____ hours per week in order to enroll in this Plan. Part-time Employees working fewer hours are not Eligible Employees.

Description of Excluded Employees

Union. Employees who are included in the unit of Employees covered by a collective bargaining agreement between the Employer and Employee representatives, provided benefits were the subject of good faith bargaining and two percent or less of the Employees of the Employer who are covered pursuant to that agreement are professionals (as defined in Treasury regulation Section 1.410(b)-9).

For this purpose, the term "Employee Representatives" does not include any organization more than half of whose members are Employees who are owners, officers, or executives of the Employer.

____ Excluded
____ Eligible
____ Not applicable

Seasonal Employees regularly working less than

_____ months within a year.

____ Excluded
____ Eligible
____ Not applicable

Employees under _____ years of age.

____ Excluded
____ Eligible
____ Not applicable

- 11.05 **Commencement of Participation.** An Eligible Employee can enroll in this Plan at the annual open Enrollment period or upon completion of the employment requirement identified below:

____ No wait, on the date of hire
____ 30 days after the date of hire
____ 60 days after the date of hire
____ 90 days after the date of hire
____ First of the month after the date of hire
____ First of the month after 30 days of continuous employment
____ First of the month after 60 days of continuous employment
____ Other _____

- 11.06 **Qualified Benefits Plans.** The Plan Documents and Summary Plan Descriptions identified in the chart below are expressly incorporated by reference into this Plan Document and provide specific description of each of the benefits available through the Plan, including the periods during which the benefits are provided (the periods of coverage if different from the Plan Year for this Plan), and the Plan's rules governing participation.

The following Plans are offered under this Cafeteria Plan:

Check if offered under this Plan:	Qualified Benefits Plans	Available Plan Documents or Summary Plan Description (SPD)
_____	Medical or Medical-Related Premium for a group health plan. (This can include an imbedded or standalone dental/vision plan.)	A Medical or Medical-Related Premium SPD will be provided by the Employer within 90 days of Enrollment and upon request.
_____	Health Savings Account (HSA)*	Details will be provided in the Enrollment Communication.
_____	Non-Employer-Sponsored Premium Account Plan for individual health plans (NESP).	See Appendix A.
_____	Medical or Medical-Related Expense Reimbursement Benefit (Health FSA).	See Appendix B. A Medical or Medical-Related Expense Reimbursement Benefit SPD will be provided by the Employer within 90 days of Enrollment and upon request.
_____	Non-Excepted Medical or Medical-Related Expense Reimbursement Benefit (Health FSA)	See Appendix D. A non-excepted Medical or Medical-Related Expense Reimbursement Benefit SPD will be provided by the Employer within 90 days of enrollment and upon request.
_____	Dependent Care Benefit.	See Appendix C.
_____	Supplemental Insurance (Voluntary Indemnity Plans).	Details will be provided in the Enrollment Communication.
_____	Disability Insurance Premium (Employee Only) - Pre-taxing Employee contributions will make benefits paid taxable compensation.	Details will be provided in the Enrollment Communication.
_____	Voluntary/Group Term Life Insurance **	Details will be provided in the Enrollment Communication.

NOTES

*A Participant is required to make an election before the start of the Plan Year, or before the first day of his/her coverage, showing the amount contributed to an HSA tax free under this Plan. A Participant will be able to change his/her HSA election for any month in the Plan Year regardless of whether the Employee can show a Change in Status Event.

** The cost of excess coverage as determined in Table I, published by the IRS, a will be imputed income. Excess coverage is any amount over a \$50,000 benefit.



Flexible Spending Accounts (FSA)
Health Savings Accounts (HSA)
Health Reimbursement Arrangements (HRA)
Funded HRA Administration
COBRA Administration
FMLA Administration
HIPAA Compliance
ERISA Compliance
PCORI Compliance
Medicare Part D Notices
ACA Employer Reporting
Form 5500 Preparation
Non-Discrimination Testing
PayPath Payroll Services
GiveBack (Workplace Giving)
DoxBox

Plan Document: Appendix B

Medical or Medical-Related Expense Reimbursement Benefits Plan (Health Flexible Spending Account, or FSA)

All terms and conditions stated in the Plan Document and Appendix B are applicable to this Medical or Medical-Related Expense Reimbursement Benefits Plan (Health FSA) unless specifically changed by this Appendix B.

All capitalized terms in this Appendix B are defined exactly as in the Plan Document, Article III, Definitions.

This Plan is intended to provide reimbursement for certain medical expenses incurred by Participants and not otherwise covered by insurance or by the Employer. The Employer intends that the Plan qualify as an accident and health plan under Section 105 and 106 of the Internal Revenue Code, and that the nontaxable benefits provided under the Plan be eligible for exclusion from Participant incomes under Section 105(b) of the Code.

The Health FSA is an Employer Sponsored Welfare Plan as defined by ERISA (Employee Retirement Income Security Act of 1974) and is subject to ERISA. The Employer will provide a Summary Plan Description within 90 days of enrollment or on request. The Summary Plan Description will identify the Plan Administrator for this Plan.

Maximum Contribution. The maximum salary reduction that a Participant can make per Plan Year will be communicated in the Enrollment Communications that are provided to each Eligible Employee at open enrollment or at the time a new or existing Employee becomes eligible for enrollment in the Plan. Beginning Plan Years on and after January 1, 2013, a Participant's salary reduction cannot exceed the greater of these two: either the maximum salary reduction communicated in the Enrollment Communications or the maximum limit per Code Section 125(i), indexed for inflation.

Qualified Expenses. A medical expense incurred during a Plan Year by a Participant, the Participant's Spouse, or the Participant's Dependents while the Participant is covered under this Plan. Medical ex-

penses are reimbursable only to the extent allowed as a medical expense under Section 213(d) of the Internal Revenue Code. For purposes of the Plan, an expense is incurred on the date when the underlying services giving rise to the medical expenses are performed and not on the date that the services are billed by the service-provider or paid by the Participant.

Benefits. Benefits are provided from the Employer's general assets. There are no segregated funds established for this Plan. The amount of the Participant's annual election is available on each day of the Plan Year in which the Employee is a Participant.

A Participant is entitled to benefits under the Plan for a Plan Year in an amount that does not exceed the Participant's annual election, and Employer contributions, if any. The amount of a Participant's annual election will be uniformly available during the Plan Year.

Claims. A claim under this Health FSA can be reimbursed only if the Participant provides a written statement from an independent third party stating that the medical expense has been incurred, the amount of the expense, and that the medical expense has not been reimbursed nor is it reimbursable under any other health plan coverage. If claims are submitted electronically, the Participant will sign a certification upon Enrollment or acceptance of an electronic card that claims submitted under the card have not been reimbursed by any other insurance or self-insured plan, and that the Participant is not seeking reimbursement under any other insured or self-insured plan.

Each claim will be substantiated by the submission of a third-party statement that shows that the claim is for a Qualified Benefits Expense, or by automated means that comply with guidelines established under IRS Rev. Rul. 2003-43.

Services purchased under a prefunded debit card can be automatically substantiated as allowed under IRS Notice 2006-69, including claims that are automatically substantiated using the Inventory Information Approval System (IIAS), amounts that are a multiple of a health plan copayment (up to five multiple copayments).

Death of Participant. In the event of the death of the Participant prior to the payment of any claims, payment will be made in the following priority:

- (a) Executor of the Estate of the deceased Participant,
- (b) Spouse, or,
- (c) Family member held responsible for payment of deceased's medical bills.

Amounts Paid in Error. Upon any benefits payment made in error, the Plan Sponsor will inform the Participant that they are required to repay the amount that has been paid in error to or on the behalf of a Participant. This includes and is not limited to amounts exceeding the Participant's annual election, amounts for services that are determined not to be Qualified Expenses, or amounts that are not substantiated (as when a Participant does not provide adequate documentation to substantiate a claim upon request). The Employer may take reasonable steps to recoup such an amount, including reducing the amount of future benefits reimbursements by the amount paid in error.

Change in Enrollment. No Participant in the Plan will be allowed to alter or discontinue the Participant's elections during a Plan Year except when due to and consistent with a Change in Status Event. Change In Status enrollment requests must be made within 30 days of the Change In Status Event and be consistent with the actual Change in Status.

The new Benefits Enrollment Form, if determined by the Employer to be submitted in a timely fashion and consistent with the Status Change, will be effective prospectively and will apply only to those Benefits accruing to the Participant, the Participant's Spouse or the Participant's Dependents after the effective date of the new Benefits Enrollment Form. With respect to an election change under the special enrollment period provisions of HIPAA, "timely submitted" will mean submitted no later than the last day of such special enrollment period. The Employer will determine if the new Benefits Enrollment Form has been timely submitted consistent with the nature of the Change in Status.

Limited Coverage under this Plan (Spouse covered under an HSA). Section 1201 of the Medicare Prescription Drug, Improvement & Modernization Act of 2003, added Section 223 to the Internal Revenue Code to permit eligible individuals to establish Health Savings Accounts (HSAs) for taxable years beginning on

or after December 31, 2003. In order to allow an Employee's Spouse to contribute to an HSA Account, an Employee is required to submit a written request to the Benefits Coordinator requesting "single" or "Parent and Child(ren)" enrollment in this Health FSA. Qualified Expenses are limited to covered services or supplies provided to the Employee and Dependents that are not covered under the Spouse's HSA. No claims for family members covered under the HSA can be submitted under this Plan.

Nondiscrimination. The Plan is not intended to discriminate in favor of highly compensated individuals regarding eligibility to participate, contributions, and benefits in accordance with applicable provisions of the Code. The Plan Administrator may take such actions as excluding certain highly compensated employees from participation in the Plan or adjusting elections midyear, if in the Employer's judgment, such actions serve to assure that the Plan does not violate applicable nondiscrimination rules.

Carryover. The Allowed Carryover Maximum will be communicated in the Enrollment Communications provided to each Eligible Employee at open enrollment or when a new or existing Employee becomes eligible for enrollment in the Plan. The Carryover Maximum will be the lesser of the amount communicated in the Enrollment Communications or \$500.

The Allowed Carryover will be the lesser of the Allowed Carryover Maximum or the unused benefit balance at the end of the Runout Period. A Runout Period immediately follows the end of a Plan Year during which a Participant may request reimbursement of expenses incurred for qualified benefits during the Plan Year. The duration of any Runout Periods will be detailed in the Summary Plan Description provided by the Employer.

The amount carried over has no effect on the ability to elect the maximum salary reduction allowed under the Plan for the new Plan Year. If a Participant elects the maximum salary reduction allowed under the Plan then the amount carried over will be in addition to that election.

Forfeiture (Use-it-or-lose-it Rule) and Runout Period. Participant forfeits any unused amount in excess of the Allowed Carryover Maximum that remains unused at end of the Plan Year's Runout Period.

Participants who terminate coverage under this Plan during the Plan Year forfeit any amount of their annual elections that exceeds claims reimbursed during any Plan Year.

A Participant who is covered through the end of the Plan Year will have a Runout Period in which to submit eligible claims. A Participant who terminates coverage during the Plan Year has a Runout Period in which to submit eligible claims. The duration of these Runout Periods will be provided in the Summary Plan Description provided by the employer.

Upon such forfeiture, the Participant's accrual will be reduced to zero. Forfeiture of Plan benefit amounts may be (a) reallocated to existing Participants in any reasonable manner (reallocation must in no way relate to prior claims history) or (b) applied towards the cost of administering the Plan.

COBRA Continuation Coverage. The Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") as amended from time to time, does not apply to any group health plan of the Employer for any calendar year if all employers maintaining the Plan normally employed fewer than 20 employees on a typical business day during the preceding calendar year. Any Participant eligible for COBRA continuation coverage under this Plan, shall be allowed to continue to participate in the Plan until the end of the Plan Year in which the qualifying event occurred, as long as such Participant complies with the provisions set out in COBRA. A Participant is eligible for COBRA coverage only when the cost to continue to the end of the Plan Year exceeds the remaining benefit.

The Employer shall adopt rules relating to continuation coverage, as provided under Section 4980B of the Internal Revenue Code or applicable state law, as may be required from time to time, and shall advise affected individuals of the terms and conditions of such continuation coverage.

Plan Administrator's Duties. The Plan Administrator, identified in the Summary Plan Description, will have full and complete discretion to determine eligibility for participation and benefits under this Plan, including, without limitation, the determination of those individuals who are deemed Employees of the Employer (or any controlled group member). The Plan Administrator's decision will be final, binding, and conclusive on all parties having or claiming a benefit under this Plan. This Plan is to be construed to exclude all individuals who are not considered Employees for purposes of the Employer's payroll system, and the Plan Administrator is authorized to do so, despite the fact that its decision may result in the loss of the Plan's tax qualification.

In addition, the Plan Administrator has the discretionary authority to interpret the Plan in order to make eligibility and benefits determinations as

it may determine at its sole discretion. The Plan Administrator also has the discretionary authority to make factual determinations regarding whether any individual is eligible and entitled to receive any benefits under the Plan.

The Plan Administrator is responsible for the administration of the Plan. In addition to any rights, duties or powers specified throughout the Plan, the Plan Administrator will have the following rights, duties and powers:

- (a) to interpret the Plan; to determine the amount, manner, and time for payment of any benefits under the Plan; and to construe or remedy any ambiguities, inconsistencies, or omissions under the Plan;
- (b) to adopt and apply any rules or procedures to insure the orderly and efficient administration of the Plan;
- (c) to determine the rights of any Participant, Spouse, Dependent or beneficiary to benefits under the Plan;
- (d) to develop appellate and review procedures for any Participant, Spouse, Dependent, or beneficiary denied benefits under the Plan;
- (e) to provide the Employer with such tax or other information it may require in connection with the Plan;
- (f) to employ any agents, attorneys, accountants or other parties (who may also be Employees of the Employer) and to allocate or delegate to them such powers or duties as is necessary to assist in the proper and efficient administration of the Plan, provided that such allocation or delegation and the acceptance thereof is in writing;
- (g) to report to the Employer, or any party designated by the Employer, after the end of each Plan Year pertinent information regarding the administration of the Plan, to report any significant problems as to the administration of the Plan, and to make recommendations for modifications regarding procedures and benefits, or any other change which might ensure the efficient administration of the Plan.

The Privacy Rule. Protected Health Information ("PHI") is defined as information that is created or received by the Employer which relates to the past, present, or future physical or mental health or condition of a Participant; or, the provision of healthcare to a Participant; or the past, present, or future payment

for the provision of healthcare to a Participant; and that identifies the Participant. The test is whether there is a reasonable basis to believe the information can be used to identify the Participant. PHI includes information of persons living or deceased.

Access to PHI: The Employer's access to PHI is restricted to the minimum information necessary to administer the Health FSA. This includes obtaining Participant elections and reimbursements for payroll administration. The Employer has access to PHI submitted for claims reimbursement when that claim is on an appeal from an adverse decision. Only the Benefits Coordinator and Employees trained in the federal privacy rule will have access to the PHI.

Permitted And Required Uses And Disclosures of PHI By The Employer: The Employer may use and disclose PHI for Plan administration functions only as permitted and required by this Plan Document, or as required by law. The Employer will not use or disclose PHI for employment-related actions or in connection with any other Employee benefits plan. When necessary, the Benefits Coordinator will disclose the PHI to consultants and experts as required by the Department of Labor for a full and fair review or to perform Plan non-discrimination testing as required by law.

Complaints: If a Participant has any complaints regarding the way in which the Employer has handled PHI said Participant may complain to the Benefits Coordinator. No response from the Benefits Coordinator is required. A copy of this complaint procedure shall be provided to the Participant upon request. The Benefits Coordinator will keep a copy of the complaint, applicable documentation, and disposition if any, for a period of 6 years from the end of the Plan Year in which the act occurred.

No Retaliation: No Employee will intimidate, threaten, coerce, discriminate against, or take other retaliatory action against Participants for exercising their rights, filing a complaint, participating in an investigation, or opposing any improper practice under the federal Privacy Rule.

Firewall: The Employer will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI that it creates, receives, maintains, or transmits on behalf of the group health plan; and ensure

that any agent, including a subcontractor, to whom it provides this information agrees to implement reasonable and appropriate security measures to protect the information.

Employer will do the following: (1) Ensure that any subcontractors or agents to whom the Plan Sponsor provides PHI agree to the same restrictions described above, (2) report to the health plan any use or disclosure that is inconsistent with this Plan Document or the federal Privacy Rule, (3) make the PHI information accessible to the Participants, (4) allow Participants to amend their PHI, (5) provide an accounting of its disclosures of PHI as required by the Privacy Rule, (6) make its practices available to the Secretary of Health and Human Services for determining compliance, and, (7) return and destroy all PHI when no longer needed, if feasible.

The Federal Security Rule. This rule is intended to bring the Plan into compliance with the "HIPAA Security Rule" as published on February 20, 2003 by the United States Department of Health and Human Services (HHS), and amended, including the final Security Standards under the Health Insurance Portability and Accountability Act of 1996 and the HITECH Act (Health Information Technology for Economic and Clinical Health Act) of the 2009.

The Electronic Media contemplated by the HIPAA Security Rule includes the following:

- (a) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or
- (b) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

In order to send and receive Protected Health Information ("PHI" as defined in the Plan Document) necessary for Plan administration by Electronic Media, the Employer will do the following:

- (a) implement reasonable and appropriate safeguards for electronic PHI created, received, maintained or transmitted to or by the Employer on behalf of the group health plan;
- (b) ensure that electronic “firewalls” are in place to secure the electronic PHI;
- (c) ensure that all agents and subcontractors with access to electronic PHI comply with the security requirements; and
- (d) report to the group health Plan any security incident of which it becomes aware.

Employee Retirement Income Security Act (ERISA).

The Health FSA is defined as a welfare benefits Plan subject to the ERISA Reporting requirements.

Summary Plan Description. The SPD informs Employees of their rights under the Plan. It must be provided to all Participants of all welfare benefits plans, regardless of size. New Participants must receive the SPD within 90 days of becoming Participants or receiving benefits.

Summary of Material Modification. The SMM informs Employees of any changes to the Plan. Participants must receive a SMM reflecting any such changes. However, a SMM is not required if a change is described in the SPD and is redistributed.

Summary Annual Report. A SAR is the highlight of the financial information detailed on IRS Form 5500. The SAR is to be distributed to Plan Participants within nine months following the end of the Plan Year. Unfunded Plans with fewer than 100 Participants at the beginning of the Plan Year are exempt from the SAR distribution rules.

IRS Form 5500. Form 5500 is required under ERISA Section 104, applicable to welfare benefits plans. Unfunded plans with fewer than 100 Participants are exempt from the filing requirement if Plan assets are not held in trust.



Plan Document: Appendix C

Dependent Care Benefits Plan

All terms and conditions stated in the Plan Document and Appendix C are applicable to this Dependent Care Benefits Plan unless specifically changed by this Appendix C.

All capitalized terms in this Appendix C are defined exactly as in the Plan Document, Article III, Definitions.

This Plan is intended to provide reimbursement for certain Dependent Care Expenses incurred by Participants. The Employer intends that the Plan qualify as a dependent care assistance plan under Section 129(d) of the Internal Revenue Code, and that the nontaxable benefits provided under the Plan be eligible for exclusion from Participant incomes under Section 129 of the Code. This Plan is not subject to the Employee Retirement Income Security Act of 1974 (ERISA).

Maximum Contribution. A Participant can defer the lesser of \$5000, their earned income, or the Spouse's earned income, per plan Year. If a Spouse is disabled or a full-time student with no income, then the Spouse is deemed to have a monthly income of \$250, if one dependent, \$500 if two or more dependents. A married Participant who files a separate tax return is limited to \$2,500 per year. Contributions to the Plan are made and limited in accordance with the Participant's annual election.

Maximum Benefit. A Participant can never withdraw more funds than actually contributed on the date a claim is submitted. If a Participant fails to use his/her entire election at the end of the Plan Year or upon other termination of the Plan, the unused election cannot be cashed out and becomes the property of the Employer.

Dependent Care Expenses. Expenses incurred by a Participant for the care of a Qualified Person or for related household services which would be considered employment-related expenses under Section 21(b)(2) of the Internal Revenue Code.

Qualifying Person - All child and Dependent Care Expenses must be for the care of one or more Qualifying Persons. A Qualifying Person is defined as the following:

- (a) A child whom is claimed as the Participant's Dependent and who was under the age of 13 when the care was provided;
- (b) A Participant's Spouse who was physically or mentally unable to care for himself/herself and lived with the Participant for more than half of the year;
- (c) A person who was physically or mentally unable to care for himself or herself and lived with the Participant for more than half of the year, and either of the following:
 - (1) Was the Participant's Dependent; or
 - (2) Would have been the Participant's Dependent without the occurrence of one of the following:
 - i) He or she received gross income equal to or in excess of the exemption amount for Dependents under Internal Revenue Code § 151(d);
 - ii) He or she filed a joint tax return;
 - iii) The Participant, or the Participant's Spouse if filing jointly, could be claimed as a Dependent on someone else's federal tax return.

Child of divorced or separated parents: Even if a Participant cannot claim a child as a Dependent, he or she is treated as a Qualifying Person if one of the following applies.

- (a) The child was under the age of 13 or was physically or mentally unable to care for himself/herself; or
- (b1) The Participant was the child's custodial parent (the parent with whom the child lived for the greater part of the calendar year), and

- (b2) The non-custodial parent is entitled to claim the child as a Dependent under the special rules for a child of divorced or separated parents.

If this applies, the non-custodial parent cannot treat the child as a Qualifying Person.

Benefits and Claims - Benefits are provided only for the reimbursement of a Qualified Person's Dependent Care Expenses that are incurred during the Plan Year and during the period in which the Employee was a Participant. Benefits are limited to the amount that has actually been withheld from the Participant's Compensation on the date the claim is processed.

Reimbursement will be made under the Plan only on the basis of Dependent Care Expenses incurred for the care of a Qualified Person, as presented on a written form specific for requesting reimbursement from the Plan. Dependent Care Expenses requested for reimbursement will be reviewed for eligibility prior to reimbursement from a Participant's dependent care reimbursement benefits account. If it is determined that an expense is a Dependent Care Expense subject to reimbursement, the Participant will be reimbursed for the Dependent Care Expense within a reasonable time. To make the determination that a Dependent Care Expense subject to reimbursement has been incurred, proper evidence of any or all of the following may be required:

- (a) the name of the Qualified Person for whom the expenses have been incurred;
- (b) the nature of the services incurred;
- (c) the date the services were incurred;
- (d) the amount of the requested reimbursement; and,
- (e) that the expenses have not been otherwise paid through a program offered by the Employer or any other employer, or reimbursed from any other source.

The Employer will make the final determination of what constitutes a Dependent Care Expense subject to reimbursement under the Plan.

In the event of the death of the Participant prior to the payment of any claims, payment will be made in the following priority:

- (a) Executor of the Estate of the deceased Participant,
- (b) Spouse of decedent.

Amounts Paid in Error - Upon any benefit payment made in error, the Employer will inform the Participant that they are required to repay the amount that has been paid to or on the behalf of a Participant in error. This includes and is not limited to amounts over the Participant's annual election, amounts for services that are determined not to be Dependent Care Expense, or when a Participant does not provide adequate documentation to substantiate a claim upon request. The Employer may take reasonable steps to recoup such an amount including reducing the amount of future benefit reimbursements by the amount paid in error.

Forfeiture (Use-it-or-lose-it Rule) - A Participant forfeits any amount of his/her annual election that exceeds of the amount of claims reimbursed during any Plan Year. A Participant who terminates coverage during the Plan Year has a run out period in which to submit eligible claims. A Participant who is covered through the end of the Plan Year will have a run out period in which to submit eligible claims. The duration of these run out periods will be provided in the Summary Plan Description provided by the Employer.

Upon such forfeiture, the Participant's accrual will be reduced to zero. Forfeited funds can be retained by the Employer, or at the discretion of the Employer, forfeitures of benefits under the Plan can be reallocated to Participants in any reasonable manner that has no relation to prior claims history. Forfeitures of benefits also may be applied towards the cost of administering the Plan. Forfeitures of benefits will become the sole property of the Employer.

Change in Enrollment. No Participant in the Plan will be allowed to alter or discontinue the Participant's elections during a Plan Year except when due to and consistent with a Change in Status. Change in Status Event enrollment requests must be made within 30 days of the Change in Status Event and be consistent with the actual Change in Status, as defined by the IRS.

The new Benefits Enrollment Form, if determined by the Employer to be submitted in a timely fashion and consistent with the Status Change, will be effective prospectively and apply only to those Benefits accruing to the Participant, the Participant's Spouse, or the Participant's Dependents after the effective date of the new Benefits Enrollment Form.

Nondiscrimination. The Plan is not intended to discriminate in favor of highly compensated individuals regarding eligibility to participate, contributions, and benefits in accordance with applicable provisions of the Code. The Employer may take such actions as excluding certain highly compensated employees from participation in the Plan or adjusting elections midyear, if in the Employer's judgment, such actions serve to assure that the Plan does not violate applicable nondiscrimination rules.



Plan Document: Appendix A

Non-Employer-Sponsored Premium Account Plan (NESP)

All terms and conditions stated in the Plan Document are applicable to this Non-Employer-Sponsored Premium Account Plan (NESP) unless specifically changed by this Appendix A.

All capitalized terms in this Appendix A are defined exactly as in the Plan Document, Article III, Definitions.

This Plan is intended to comply with Section 125 of the Internal Revenue Code. NESP is an tax advantaged plan established with the intent of providing tax free reimbursement for the premium paid by an Employee for an individual insurance, providing health and accident benefits as defined under Sections 105 and 106 of the Code. The individual insurance plan is owned by the Employee. This can include a plan provided through Employee owned insurance policy(ies) issued by an insurance company, or a contract(s) with a health maintenance organization or point of service organization. Coverage offered through the Marketplace, (a state or federal plan under the Affordable Care Act), does not qualify. The following individual plans can be covered under the NESP Plan.

- Health insurance or HMO coverage for health expenses
- Dental insurance
- Eye care insurance
- Medicare premium
- Medigap or Medicare Supplemental premium
- Tricare premium
- Accidental death and dismemberment insurance
- Long-term or short-term disability insurance

NESP is not subject to the Employee Retirement Income Security Act of 1974 (ERISA). The individual plans purchased by the Employees are not Employer-Sponsored Welfare Plans as defined by ERISA, and as such are not subject to ERISA.

Maximum Contribution. The maximum contribution can be found in the Enrollment Communication provided by the Employer at the time of enrollment.

Maximum Benefit. A Participant will never receive benefits that exceed the salary reduction amount actually withheld on the date the claim is submitted. If a Participant fails to use his/her entire election at the end of the Plan Year or at time of other termination of the Plan, the unused election cannot be cashed out and becomes the property of the Employer.

Claims Requirement. The Employee will submit proof that he/she paid the premium in order to obtain reimbursement from this Plan. Premium paid for a period of time that is prior to or following the Plan Year in which the claim is submitted is not reimbursable. Amounts that are withheld from the Employee's salary that are not used to reimburse premiums will be forfeited and become the property of the Employer.

Change in Enrollment. No Participant in the Plan will be allowed to alter or discontinue the Participant's elections during a Plan Year except when due to and consistent with a Change in Status Event. Change in Status Event enrollment requests must be made in writing within 30 days of the Change in Status Event and be consistent with the actual Change in Status, as defined by the IRS.

Upon the occurrence of a Change in Status Event, timely request and approval by the Employer, the election change will be effective prospectively.

Increases or Decreases in Premiums. If the premiums or required contribution for any individual Qualified Benefits Plan purchased by the Employee change during the Plan Year, whether increase or decrease, a Participant's contributions can be increased or decreased in an amount sufficient to pay for such increase or decrease. The Change in Status Event enrollment requests must be made within 30 days of the change in the required premium or contribution. The election change will be effective prospectively.

Forfeiture (Use-it-or-lose-it Rule). A Participant forfeits any amount of his/her annual election that exceeds the amount of claims reimbursed during any Plan Year. A Participant who terminates coverage during the Plan Year has a run out period in which to submit eligible claims. A Participant who is covered through the end of the Plan Year will have a run out period in which to submit eligible claims. The duration of these run out periods will be provided in the Summary Plan Description provided by the Employer.

Upon such forfeiture, the Participant's accrual will be reduced to zero. Forfeited funds can be retained by the Employer, or at the discretion of the Employer, forfeitures of benefits under the Plan can be reallocated to Participants in any reasonable manner that has no relation to prior claims history. Forfeitures of benefits may also be applied towards the cost of administering the Plan. Forfeitures of benefits will become the sole property of the Employer.



Plan Document: Heart Act Amendment

Heart Act Amendment to the Medical or Medical-Related Expense Reimbursement Benefits Plan (Health FSA)

All of the terms and conditions stated in the Plan Document and Appendix B continue in effect unless specifically changed by the terms of this Amendment. All capitalized terms in this Amendment have the same meaning as defined in Article III, Definitions, in the Plan Document or as defined in Appendix B.

Military Cash Out Option. A Participant in the Plan will receive a Qualified Reservist Distribution upon written request provided to the Employer. A Qualified Reservist Distribution means a distribution to a Participant of all or a portion of the Balance in the employee's account under the Plan, if:

- (a) a Participant was (by reason of being a member of a reserve component (as defined in section 101 of title 37, United States Code)) ordered or called to active duty for a period of 180 days or more, or for an indefinite period; and,

- (b) the distribution is requested and made during the period beginning on the date of such order or call and ending on the last date that reimbursements could otherwise be made under the Plan for the Plan Year in which the Participant received the order or call.

The Balance that can be distributed is limited to the amount of the Participant's actual payroll deductions made as of the date of the request, less any amount that has already been disbursed for valid claims submitted. A request for a Qualified Reservist Distribution after the period defined under Paragraph B will be denied.



Plan Document: Grace Period Amendment

Amendment to the Dependent Care Benefits Plan

All terms and conditions stated in the Plan Document and Appendix C are applicable to this Amendment unless specifically stated in this Amendment.

All capitalized terms in this Amendment are defined exactly as in the Plan Document, Article III, Definitions, or as defined in Appendix C.

Grace Period. The Dependent Care Benefits Plan allows reimbursement for Dependent Care Expenses, when the services are rendered during the Grace Period. The Grace Period extends two and one half months after the last day of your Plan Year. The last day of this Grace Period is the fifteenth day of the third month following the end of the Plan Year. Services that are rendered after the last day of this Grace Period will not be considered for reimbursement under the prior Plan Year.

You must be enrolled on the last day of the Plan Year in order for this Grace Period to apply.

Order of payment. Dependent Care Expenses rendered during the Grace Period will be reimbursed using any balance in your prior Plan Year annual election first, and then reimbursed from any new Plan Year annual election.

Participants who terminate before the end of the Plan Year. If you terminate coverage for any reason prior to the end of the last day of the Plan Year, then you may not submit any claims for services that were rendered after your date of termination. The Grace Period rules described above will not be available.

Forfeiture (Use-it-or-lose-it Rule) and run out period for submitting claims. A Participant forfeits any amount of his/her annual election that exceeds the amount of claims reimbursed for Qualified Expenses rendered during any Plan Year or applicable Grace Period.

A Participant who terminates coverage during the Plan Year has a run out period in which to submit eligible claims. The duration of the run out period will be provided in the Summary Plan Description provided by the Employer.

A Participant who is covered through the end of the last day of any Plan Year will have a run out period in which to submit eligible claims. The duration of the run out period will be provided in the Summary Plan Description provided by the Employer.



Plan Document: Grace Period Amendment

To the Non-Employer Sponsored Premium Account Plan (NESP)

All terms and conditions stated in the Plan Document and Appendix A are applicable to this Amendment unless specifically stated in this Amendment.

All capitalized terms in this Amendment are defined exactly as in the Plan Document, Article III, Definitions, or as defined in Appendix A.

Grace Period - The Non-Employer-Sponsored Premium Account Plan (NESP) allows reimbursement for NESP Expenses, when the services are rendered during the Grace Period. The Grace Period extends two and one half months after the last day of the Plan Year. The last day of this Grace Period is the fifteenth day of the third month following the end of the Plan Year. Services that are rendered after the last day of this Grace Period will not be considered for reimbursement under the prior Plan Year.

Participants must be enrolled on the last day of the Plan Year in order for this Grace Period to apply.

Order of payment - NESP Expenses rendered during the Grace Period will be reimbursed using any remaining amount in the prior Plan Year annual election first, and then reimbursed from any new Plan Year annual election.

Participants who terminate before the end of the Plan Year. If you terminate coverage for any reason prior to the end of the last day of the Plan Year, then you will not be able to submit any claims for services that were rendered after your date of termination. The Grace Period rules described above will not be available.

Forfeiture (Use-it-or-lose-it-Rule) and run out period for submitting claims. A Participant forfeits the amount of their annual election that is in excess of the amount of claims reimbursed for Qualified Expenses rendered during any Plan Year or applicable Grace Period.

A Participant who terminates coverage during the Plan Year will have a run out period in which to submit eligible claims. The duration of the run out period will be provided in the Summary Plan Description provided by the Employer.

A Participant who is covered through the end of the last day of any Plan Year will have a run out period to submit eligible claims. The duration of the run out period will be provided in the Summary Plan Description provided by the Employer.





HEALTH SAVINGS ACCOUNT (HSA) POWER OF ATTORNEY FORM

Instructions

1. Complete Accountholder Information, Power of Attorney Information and Signature sections to designate a Power of Attorney. **Signatures must be notarized.**
2. Complete Accountholder Information and Revocation of Power of Attorney sections to revoke the prior designation of a Power of Attorney. **Signatures must be notarized.**
3. Forward completed form to: **TASC (TPA) at:**
Mail: PO Box 7511 **or Fax: 1-877-231-1287**
Madison, WI 53707-7511
4. For any questions regarding this form, please call **1-844-786-3947**.

Accountholder Information

_____ Last Name	_____ First Name	_____ Middle Initial
_____ Social Security Number		_____ Employee ID and Employer (if applicable)

Power of Attorney Designation

_____ Individual's Last Name	_____ First Name	_____ Middle Initial
_____ Social Security Number	_____ Telephone Number	_____ Birth Date
_____ Street Address		
_____ City	_____ State	_____ Zip Code

TPA and Healthcare Bank are hereby authorized to recognize the signature subscribed below in the payment of funds or transactions of any business for this account. All transactions shall be governed by applicable laws and the Health Savings Account Custodial Agreement and Disclosure Statement. To the extent allowed by law, this authorization shall survive my disability or incapacity, and shall remain in effect until TPA receives written notice of revocation and a reasonable opportunity to act on such notice.

Signature

By signing below, I authorize the attorney-in-fact identified above to perform any act I may perform pursuant to my Health Savings Account Custodial Agreement and Disclosure Statement with TPA and Healthcare Bank. This authorization includes, for example, the ability to: (1) endorse, cash, or deposit checks or other items payable to my order; (2) withdraw funds from this account via any means allowed for this account (including, but not limited to, checks, debit cards, wire transfers, etc.); and (3) give instructions for the handling of any and all matters in connection with this account. I understand the powers I give to my attorney-in-fact, and any limitations on those powers are between the attorney-in-fact and me, even if TPA and Healthcare Bank have express written notice of those powers. I agree to hold TPA and Healthcare Bank harmless and be responsible for any damages or costs TPA and Healthcare Bank incur due to TPA and Healthcare Bank's reliance on this Power of Attorney.

Signature of HSA Accountholder

Date

Signature of Attorney-in-fact

Date

Subscribed and sworn to before me this

_____ day of _____, 20____

Notary Public

Revocation of Power of Attorney

I hereby revoke the appointment of the above named Power of Attorney and have notified them of this change. I understand that TPA and Healthcare Bank may charge the account for the amount of any check or pre-authorized transactions dated on or before this date if they have been authorized by my attorney-in-fact.

Signature of HSA Accountholder

Date

Signature of Attorney-in-fact

Date

Subscribed and sworn to before me this

_____ day of _____, 20____

Notary Public

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).



HEALTH SAVINGS ACCOUNT(HSA) DEATH DISTRIBUTION REQUEST FORM

Instructions

1. Use this form to authorize a distribution of assets from a decedent's HSA, directly to you as the beneficiary.
2. Complete all sections of this form, **attach a notarized copy of the death certificate** and forward to: **TASC (TPA)** at
Mail: PO Box 7511 **or Fax: 1-877-231-1287**
Madison, WI 53707-7511
3. For any questions, please call **1-844-786-3947**.

Accountholder Information (Beneficiary completes this section with HSA Accountholder information.)

Last Name	First Name	Middle Initial
<hr/>		
Social Security Number	Employee ID and Employer (if applicable)	

Beneficiary Information (Beneficiary completes this section with his/her information.)

Please Select Beneficiary Type ☐ Spouse ☐ Non-Spouse ☐ Estate - A copy of the Letter Testamentary is required to validate executorship.

Last Name	First Name	Middle Initial
<hr/>		
Address	City, State, Zip	
<hr/>		
Social Security Number	Date of Birth	
<hr/>		
Telephone Number	Driver's License Number	

Processing Option (Please choose only one.)

- ☐ **I am the spouse and I am requesting the account to remain an HSA account.** By completing this section, I am requesting that a new HSA account be opened in my name. I will receive an HSA Enrollment Form to be completed and signed in order to finalize the account. After the setup is complete, the HSA funds remaining in my spouse's account will be transferred to my new account.
- ☐ **I am the spouse and I am requesting payout and closing of my husband's/wife's HSA account.** Amounts distributed will generally be included in my gross income, except for any amount used to pay for medical expenses I incur before the distribution date or medical expenses that were incurred by my spouse before death (and paid by me within one year after the date of death).
- ☐ **I am a non-spousal beneficiary requesting payout.** I am required to include the funds received in my gross income, except for any amount used to pay for medical expenses incurred by the HSA Accountholder (and paid by me within one year of the Accountholder's death).
- ☐ **I am the executor of the Estate of the Decedent.** If there is no designated beneficiary, the entire amount of the HSA shall be paid to the estate of the deceased and included on the decedent's final income tax return.

Rules, Conditions and Signature

Checks will be issued and mailed to the address provided above. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies any person to whom funds are being distributed prior to completing the distribution. If the HSA consists of mutual funds, these funds will be liquidated and transferred/distributed as cash. TPA and Healthcare Bank reserve the right to complete this liquidation at such time that is reasonable upon receipt and verification of this form.

Due to the important tax consequences relating to the death of an HSA Accountholder, I have been advised to see a tax professional. State tax laws may vary, and I agree that neither TPA nor Healthcare Bank makes any representation as to the tax effect of this distribution under state or federal law. The information provided is in general terms only to provide some information relating to the tax consequences of a decedent's HSA account. Information provided by me is true and correct and may be relied upon by TPA and Healthcare Bank. I assume full responsibility for this transaction and will not hold TPA or Healthcare Bank liable for any adverse consequences that may result. **I am the individual authorized to execute this transaction. I have read and understand the instructions, rules and conditions relating to this transaction.**

Signature of HSA Beneficiary

Date

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

SW-5502-010617



HEALTH SAVINGS ACCOUNT(HSA) BENEFICIARY CHANGE/SPOUSAL CONSENT FORM

Instructions

1. Use this form to designate or change your beneficiary. If you are married in common law or in a community property or marital property state, you must designate your spouse as your Primary Beneficiary. If you wish to designate someone other than your spouse, your spouse must agree by signing in the Spousal Consent section. Your spouse's signature must be notarized.
2. Forward completed form to: **TASC (TPA) at:**
Mail: PO Box 7511 or Fax: 1-877-231-1287
Madison, WI 53707-7511
3. For any questions regarding changing your beneficiary, please call **1-844-786-3947**.

Accountholder Information

Last Name	First Name	Middle Initial	
Social Security Number			Employee ID and Employer (if applicable)
Telephone Number		Email Address	

Beneficiary Designation

I designate the following individual(s) or entity as my primary or contingent death beneficiary(ies) of this HSA, and I hereby revoke all prior death beneficiary designations made by me. Share percentages must equal 100% for primary and 100% for contingent.

No.	Name and Address	Date of Birth	Social Security Number	Primary or Contingent	Relationship	Share %
1.				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent <input type="checkbox"/> Other	
2.				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent <input type="checkbox"/> Other	
3.				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent <input type="checkbox"/> Other	

Spousal Consent (for HSA Accountholders married in common law or in a community property or marital property states)

- ☐ I am not married and I understand that if I become married in the future, I must complete a new HSA Beneficiary Change/Spousal Consent Form.
- ☐ I am married and I understand that if I choose to designate a primary death beneficiary other than my spouse, my spouse must agree to the designation by signing below. My spouse's signature must be notarized.

Signature of Spouse _____ Subscribed and sworn to before me this _____ day of _____, 20____

Date _____ Notary Public _____

Signature

I certify that I am the HSA Accountholder or an individual authorized to execute this transaction. I assume full responsibility for this transaction and will not hold TPA or Healthcare Bank liable for any adverse consequences that may result. I have not received any tax or legal advice from TPA or Healthcare Bank and, if necessary, will seek the advice of a tax or legal professional to ensure my compliance with related laws.

If neither primary nor contingent is indicated, the individual or entity will be deemed to be a primary death beneficiary. If any primary or contingent death beneficiary dies before me, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining death beneficiary shall be increased on a pro rata basis. If more than one primary death beneficiary is designated and no distribution percentages are indicated, the death beneficiaries will be deemed to own equal share percentages in the HSA. Multiple contingent death beneficiaries with no share percentage indicated will also be deemed to share equally. If no primary death beneficiary survives me, the contingent death beneficiary shall acquire the designated share of my HSA.

I understand that if I am married and my residence is in a community or marital property state, or if I am transferring property to this HSA that I acquired while married and residing in a community or marital property state, my spouse may have a community or marital property interest in contributions to and earnings in this HSA, whatever the source. This community property interest may be released by a properly executed consent. I understand that I may wish to consult with legal counsel to ensure that my designation is proper. I understand that if I designate my spouse as primary death beneficiary or contingent death beneficiary of the HSA, the dissolution, termination, annulment or other legal termination of my marriage will automatically revoke such designation.

Signature of HSA Accountholder _____ Date _____

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

SW-5500-010617

TASC Member Communications

(Remainder of Page Left Intentionally Blank)



Health Care Flexible Spending Account

© Total Administrative Services Corporation

SW-1093-100217

State of Wisconsin Employee Reimbursement Accounts



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email 1customercare@tasconline.com

© TASC



WHAT IS A HEALTH CARE FSA?

- Allows you to set aside **tax-free** dollars each year for health care expenses not covered by insurance
- Use funds set aside to pay for eligible health care expenses incurred by...
 - **You**
 - Your **spouse**
 - Your qualified **dependents**



WHAT ARE THE BENEFITS?

- Pre-tax contributions **reduce your taxable income**
- Pay for everyday out-of-pocket eligible health care expenses with **tax-free** money
- Total annual Health Care FSA contribution amount is **available immediately** at the start of the plan year
- **Carry over up to \$500** remaining in your account from one plan year to the next
- Multiple **self-service tools** available to manage your TASC Account and TASC Card transactions



HOW DOES IT WORK?

- Use the **Tax-Savings Calculator** or **Annual Expense Estimate Worksheet** to help determine how much to contribute
- Annual contribution is deducted **pre-tax** from your paycheck in equal amounts throughout the plan year
- Use your **TASC Card** to pay for eligible health care expenses or submit a request for reimbursement
- Manage your account 24/7 via the TASC Benefits mobile app or TASC Online account: <https://partners.tasconline.com/ETFEmployee>



ENROLLMENT ELIGIBILITY

ELIGIBLE

- Most full-time or part-time state and university employees



NOT ELIGIBLE

- Employees who are classified as fellows, scholars & research assistants in the UW System
- Limited term employees, student hourlies, per diems, and other temporary employees
- Employees who are enrolled in a High Deductible Health Plan (HDHP)



IMPORTANT CONSIDERATIONS

- **It's Your Choice Health Plan** annual deductible, office visit copays and annual out-of-pocket limit are reimbursable expenses
- By accepting and using your TASC Card, you agree to the **Cardholder Agreement**
- You may change your Health Care FSA elections during the plan year only if you experience a **qualified life change event**



IMPORTANT PROGRAM INFORMATION

\$2,600

Individual Health Care FSA
annual contribution limit for 2018

December 31, 2018

All 2018 expenses must be
incurred by this date

March 31, 2019

All reimbursement requests
must be submitted by this date

\$500

Maximum carryover amount

Annual enrollment

You must re-enroll each year to
continue participation



ELIGIBLE HEALTH CARE FSA EXPENSES

Medical

- Acupuncture
- Ambulance services
- Birth control / contraceptive devices
- Blood pressure monitor
- Co-payments
- Flu shots
- Insulin
- Physical exams
- Smoking cessation programs
- Vaccinations
- X-ray fees

Dental

- Cleanings & exams
- Crowns & bridges
- Dentures
- Fillings
- Orthodontia

Vision

- Contact lenses & lens solution
- Eye exams
- Laser eye surgery / LASIK
- Prescription eyeglasses & sunglasses



POTENTIALLY ELIGIBLE OR INELIGIBLE EXPENSES

Restrictions may apply – see IRS Publication 502

- Birth classes / Lamaze
- Physical therapy
- Hearing aids & batteries
- Sleep apnea services / products

Physician prescription required

- Cold medicines
- Nicotine patches
- First aid supplies
- Pain relievers
- Indigestion medications
- Sinus medications

Ineligible expenses

- Cosmetic surgery
- Nutritional supplements
- Health club dues
- Teeth whitening



WHEN TO ENROLL

It's Your Choice 2018
Open Enrollment Period

October 2 – 27, 2017

Newly Hired Employees

Within 30 days of hire date

Qualified Life
Change Event *

Within 30 days of event

** Includes marriage or divorce, birth or adoption of a child, change in employment status & others*



HOW TO ENROLL

It's Your Choice 2018
Open Enrollment Period

October 2 – 27, 2017

- Use the **Annual Expense Estimate Worksheet** in the ERA Enrollment Brochure
- UW System employees:
 - <https://www.wisconsin.edu/ohrwd/benefits/>
- State of Wisconsin, Courts and Legislature employees paid through the STAR System:
 - <https://ess.wi.gov>
- WEDC employees:
 - **OneLogin > Kronos > My Account > My Benefits > Review/Select Benefits**



HOW TO ENROLL

It's Your Choice 2018
Open Enrollment Period

October 2 – 27, 2017

- TASC Online website:
 - <https://partners.tasconline.com/ETFEmployee>
- Paper:
 - **Download** from TASC or ETF website
 - **Request a copy** from your payroll / benefits office
- Telephone:
 - **844-786-3947**
 - **608-316-2408**



WHAT TO EXPECT AFTER ENROLLMENT

ERA WELCOME BROCHURE

- Provides information on how to manage your ERA
- Follow the instructions to set up your TASC Online account
- Use your online account to check your balance, submit claims, and manage your notifications

TASC CARD

- Conveniently pay for eligible expenses
- Review the **Cardholder Agreement**
- **Current** TASC participants will **NOT** be issued a new TASC Card



Additional Resources

Phone <https://www.tasconline.com> or 844-786-3947 or 608-316-2408

Mobile search reflex Benefits from the App Store or Google Play

Email 1customer care@tasconline.com

TASC BENEFITS MOBILE APP

FOR iOS & ANDROID

Save time and paperwork by making the most of your Health Savings Account (HSA) and Employee Reimbursement Accounts (ERA) benefits with the TASC Benefits Mobile App. Our secure app makes managing your benefits easy with real-time access and intuitive navigation. Quickly check your important account information, balances and claims details

Easy, Convenient & Secure

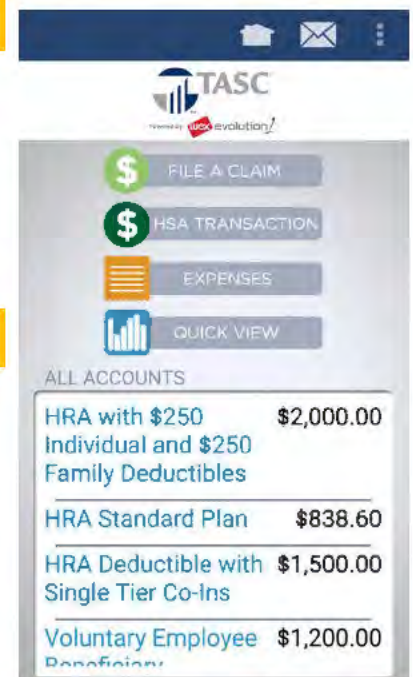
- Login to the intuitive app using the same username and password as your TASC Online account.
- Secure encryption is used to protect all transmissions –no sensitive information is ever stored on your mobile device.

Connects You with the Details

- Access account details 24/7.
- Available balances always up to date.
- View charts summarizing account(s) and elections.
- Click to call or email TASC Customer Care.

Additional Time-Saving Options

- File claims using your mobile device's camera. Simply take a picture of a receipt, upload the picture and submit it for a new or existing claim.
- View claims requiring receipts.
- See payment status for submitted claims.
- View contributions and expenses to date.
- Check claims status, claims denials and view claims history.
- View your plan end date and run-out period.
- Report a lost or stolen TASC Card.
- Distribute and contribute active HSA funds (if applicable).



To download the TASC Benefits Mobile App, visit the iOS App Store or Android Marketplace and search "eflex Benefits."



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email customer care@tasconline.com

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-316-2408. LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).




Valuable tax-savings on healthcare expenses for today *and* tomorrow

Increase your take-home pay by using pre-tax dollars to pay for eligible healthcare expenses! A Health Savings Account (HSA) works with your High Deductible Health Plan (HDHP) and lets you set aside a portion of your paycheck—before taxes—into an account. Use those funds to help pay for medical expenses (before you reach your deductible) that aren't covered by your HDHP.

It's simple. It's smart. It'll save you money and help you plan for future medical expenses.

The Triple Tax Advantage

TASC HSA is a tax-advantaged investment vehicle that offers three separate tax benefits:

1. Contributions into an HSA are **pre-tax**.
2. Earned interest on investment funds is **tax-free**.
3. Withdrawals for qualified medical expenses are **tax-free**.

Benefits of an HSA

- **Reduces your taxable income.** Your elected Plan contributions are deducted from your payroll pre-tax, which reduces your taxable income and thereby increases your take-home pay.
- **Gives you control.** Funds in your TASC HSA stay with you, even if you change jobs. And, if you're no longer covered by an HDHP, your HSA stays active and remaining funds can still be used for medical expenses.
- **Grows with you.** If you maintain a minimum balance of \$2,000, any additional funds may be invested in top-ranking mutual funds yielding tax-free earnings.
- **Helps you plan for the future.** Until you turn 65, withdrawals used for eligible expenses are tax-free. After you turn 65, or if you become disabled, your HSA becomes similar to a regular IRA. Withdrawals you use for non-eligible expenses will be taxed at your regular income tax rate but won't incur additional penalties.

TASC HSA Service Features

- Online enrollment and account management
- Benefits debit card for eligible purchases
- Top rated investment options
- Fast reimbursements

HSA Eligible Expenses

- Expenses for most medical care and services
- Dental care services
- Vision care expenses
- Prescriptions
- Certain over-the-counter medications
- Certain insurance premiums

Complete lists of eligible and non-eligible expenses can be found in IRS Publication 502, which can be accessed by visiting www.irs.gov.

How the TASC HSA Plan Works

You and your employer can deposit money into your TASC HSA, up to an annual per person or family limit set by the IRS. You can use money in your HSA to pay for insurance deductibles and medical care/supplies such as dentistry, ophthalmology, and prescription drugs.

When you enroll online and set up your TASC HSA investment accounts, you'll be given access to a secure, easy-to-use web portal where you can track your account balance, manage your investment accounts, and submit a request for distribution.

In addition, you'll be issued a **benefits debit card** you can use at point-of-sale to pay for approved medical expenses. You can request distributions online for any purchases not made with your debit card. Payment will be made based on your available funds and may be sent via direct deposit.

You can make contributions anytime during the Plan Year, up to the annual maximum. All of your contributions are tax-deductible. Your HSA is similar to an IRA, but better. Withdrawals used for eligible medical expenses are always tax-free.

View current IRS limits for HSA contributions at: www.tasconline.com/benefits-limits

How it Saves You Money

Enrolling in the TASC HSA can help you save money in several ways. Choosing an HDHP may help you reduce your monthly insurance premiums and you can use these savings to fund your TASC HSA. Money you deposit into your HSA isn't subject to income taxes, which means your take-home pay increases. Use money from your HSA to pay for medical care/supplies that aren't typically covered by health insurance. Because that money isn't taxed, you're essentially getting a 25% to 40% discount on these expenses. Unused money kept in your HSA may be invested in mutual funds with no taxes to you on qualified withdrawals, interest, or growth.*

Your HDHP monthly premiums may lower.	You contribute a tax-free amount each month.	You use your funds to pay un-covered expenses.	Your unused funds earn interest, and can be invested in mutual funds*.
Savings #1	Savings #2	Savings #3	Savings #4
You (or your employer) pay lower premiums.	Your take-home pay increases by your tax rate	You essentially get a 25% to 40% discount on medical expenses.	You don't get taxed on qualified withdrawals, interest, or growth.

Important Considerations

Eligibility:

- If you are claimed as a dependent on someone else's taxes or are covered by any other health insurance policies that are not considered HDHPs, including Medicare and unlimited Flexible Spending Accounts, you are not eligible for an HSA.
- If you participate in an unlimited FSA or HRA through your employer or your spouse's employer, you are not eligible for an HSA.
- You and your spouse can each have an HSA if you both have high deductible coverage. If you have family HDHP coverage, the maximum contribution is split equally unless you and your spouse agree on a different division.

Reimbursement:

- You don't have to submit receipts to receive your reimbursement. However, you need to keep receipts and documentation for each year's federal tax return (Form 8889 attached to Form 1040).
- You can make a withdrawal at any time. Reimbursements for qualified medical expenses are tax-free. If you are disabled or reach age 65, you can receive non-medical distributions without penalty, but you must report the distribution as taxable income. You may also use your funds for a spouse or dependent not covered under your HDHP.

Using an HSA with an FSA:

As long as the FSA is a Limited-Purpose FSA (dental and/or vision expenses only), you can also have an HSA.

Timing:

- You're eligible to begin an HSA plan starting on the first day of each month. If you get HDHP coverage mid-month, your HSA eligibility starts on the first of the following month.
- An HSA must be set up and the contributions must be made by your tax return due date for the year, not including extensions.



TASC Enrollment Materials

(Remainder of Page Left Intentionally Blank)



Rescind It's Your Choice Open Enrollment ERA or HSA Elections

You may request to rescind your It's Your Choice (IYC) Open Enrollment Employee Reimbursement Account (ERA) or Health Savings Account (HSA) enrollment election(s) by sending this completed form to your employer's Human Resource (HR) benefit/payroll staff **prior to your January 1 effective date.**

Note: Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, and Dependent Day Care Flexible Spending Account enrollment elections may not be rescinded on or after your effective date of coverage. You can enroll or make changes to your Parking Account and Transit Account at any time during the plan year. You can make changes to your HSA annual contribution amount at any time during the plan year, however you cannot rescind your HSA enrollment after your January 1 effective date unless you experience a qualifying life event.

Upon your employer's receipt of your request to rescind your ERA and/or HSA election(s), your employer will forward your request along with any other applicable documentation to TASC and retain a second copy for their records.

TASC will notify you and your HR benefit/payroll department of the rescind request decision. Decisions are shared via the email provided on the other side of this form.

If someone represents you, complete the Authorization of Release form to allow us to communicate with your representative. The Authorization of Release form can be located on the TASC landing page at <https://partners.tasconline.com/ETFEmployee>.

Sincerely,

TASC Appeals Department

StateOfWIAppeals@tasconline.com

P.O. Box 70791 Madison, WI 53704

Phone: 1-844-786-3947 or 1-608-316-2408

Fax: 1-877-231-1287

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.
LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).





Rescind Request Form

Please complete the form below as it applies to rescinding your Employee Reimbursement Account (ERA) and/or Health Savings Account (HSA) election(s) and submit your HR Benefit/Payroll Department. Retain a copy for your records.

Participant Information

Participant Name	
Participant Address	
Participant Email Address	

Employer Information

Employer Employee ID	
Employer/Agency Name	
Payroll Center Name	
HR Benefit/Payroll Contact Name	
HR Benefit/Payroll Contact Email Address	

I hereby request a change in my benefit election(s) as follows:

ERA or HSA Election Rescinding		Annual Election Amount
<input type="checkbox"/>	Health Care Flexible Spending Account	\$
<input type="checkbox"/>	Limited Purpose Flexible Spending Account	\$
<input type="checkbox"/>	Health Savings Account	\$
<input type="checkbox"/>	Dependent Day Care Flexible Spending Account	\$
<input type="checkbox"/>	Parking Account	\$
<input type="checkbox"/>	Transit Account	\$

Brief statement on the reasoning for rescinding your ERA and/or HSA election:

Participant Signature _____ Date _____

HR Payroll/Benefit Signature _____ Date _____



Plan Correction Request

Expenses incurred during the plan year, January 1 through December 31 of each year, must be substantiated by December 31 to avoid further action on your unsubstantiated claim(s). If you failed to provide the necessary documentation or repay your claim(s) during the plan year, your claim is now considered ineligible and repayment is required. Your employer will attempt to recover the unsubstantiated claim amount via payroll withholding, pursuant to Wis. Stat. § 40.08 (4).

If your unsubstantiated claim(s) is in the recovery process through payroll deduction with your employer, you are no longer able to resolve your unsubstantiated claim through the normal substantiation process. You may file a Plan Correction Request in effort to resolve your unsubstantiated claim. Your Plan Correction Request must be sent to TASC Appeals by March 31. Any Plan Correction Requests received after March 31 will not be accepted.

How to File a Plan Correction Request:

1. Complete the Plan Correction Request Form (See reverse side of this document.)
2. Attach all applicable supporting documents (itemized statement, detailed receipt, Explanation of Benefits). If applicable, include check/money order made payable to "TASC Claims Repayment".
3. Send completed Plan Correction Request Form and applicable supporting documents to TASC Appeals at stateofwiappeals@tasconline.com and your human resource/payroll department. If you selected the repayment option, please send your completed plan correction request form, supporting documentation, and payment to:

TASC Appeals
Attn: SOW Plan Correction Request
P.O. Box 70791
Madison, WI 53704

TASC will review your plan correction request. You and your human resource/payroll department will be provided with a written determination.

Note: If you do not include your human resource/payroll department when you submit your Plan Correction Request, this may delay notification to your employer of the determination. A delay in notification to your human resource/payroll department, may impact your employer's ability to adjust or stop payroll deductions in a timely manner.

If someone represents you, complete the Authorization of Release form to allow us to communicate with your representative. The Authorization of Release form can be located on the TASC landing page at <https://partners.tasconline.com/ETFEmployee>.

The ERA Participant Guide and additional resources are available on the TASC landing page at <https://partners.tasconline.com/ETFEmployee>. If you have any questions, please call TASC Customer Care at 1-844-786-3947 or your human resource/payroll department.

Sincerely,

TASC Appeals

P.O. Box 70791
Madison, WI 53704
1-844-786-3947 or 1-608-316-2408





Plan Correction Request Form

Please read and complete each section as it applies to your plan correction request.

Participant Information	
Participant Name	
Participant Address	
Participant Email Address	
Employer/Agency Name	
Payroll Center Name	
Human Resource/Payroll Staff Contact Name	
Human Resource/Payroll Staff Email Address	

Ineligible Claim(s) Requiring Repayment

TASC Card Transaction Date	Provider/Merchant	Total Card Charge	Repayment Amount Due

Choose Plan Correction Option:

- ☐ **Substantiate Claim:** Submit documentation to substantiate claim(s). Send this completed form, a copy of your unsubstantiated claim repayment notification, and all applicable supporting documentation (itemized statement, detailed receipt, Explanation of Benefits) to TASC Appeals.
- ☐ **Repayment:** Repay the amount of the unsubstantiated transaction. Send this completed form, a copy of your unsubstantiated claim repayment notification, and check/money order made payable to "TASC Claims Repayments" to TASC Appeals.
- ☐ **Replacement Receipts:** To apply another out-of-pocket eligible expense toward the repayment amount due, complete the below section. Send this completed form, a copy of your unsubstantiated claim repayment notification, and replacement receipts to TASC Appeals.
 - o **Note:** The replacement receipts cannot include any previously reimbursed expenses.

Date of Service	Provider/Merchant	Description of Eligible Service	Total Claim Amount

Send completed Plan Correction Request Form with applicable supporting documentation to TASC Appeals at stateofwiappeals@tasconline.com and your human resource/payroll department. If you selected the repayment option, please send your completed Plan Correction Request Form, supporting documentation, and payment to:

TASC Appeals
Attn: SOW Plan Correction Request
P.O. Box 70791
Madison, WI 53704

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).





LETTER OF MEDICAL NECESSITY

PARTICIPANT INFORMATION *(to be completed by participant)*

Participant Name:

Employer Name:

Employee Number/ID:

TO BE COMPLETED BY LICENSED HEALTHCARE PROVIDER

Patient Name	Prescribed Treatment Product/Services	Reason for Treatment	Instructions/Restrictions (if applicable)

I hereby certify that the treatment plan(s) listed above is medically necessary to treat the ailment or medical condition listed above. This treatment plan is neither for cosmetic reasons nor for general health and well-being.

Medical Practitioner's Name (PLEASE PRINT)

Medical Practitioner's Signature

Date

The statements on this document are complete and true, to the best of my knowledge and belief. I understand that the IRS regulates my employee benefits account and that the guidelines are implemented as a means of ensuring compliance. I further understand that it is my responsibility to comply with these guidelines and to avoid submitting duplicate or ineligible requests.

Signature of Plan Participant

Date

**When filling out your TASC Claim Form, please be sure to note that you have this Medical Necessity Form on file with us.
Please note: TASC reserves the right to verify the eligibility of the expense in accordance with IRS regulations.**

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

Please fax or mail completed forms to:

Total Administrative Services Corp (TASC) • PO Box 7511 • Madison, WI 53707-7511
Phone: 844-786-3947 • Fax: 877-231-1287

SW-5530-101016



FLEX SPENDING ACCOUNT (FSA) REIMBURSEMENT CLAIM FORM

Please complete this form to request reimbursement of expenses incurred by you and/or eligible dependents. Itemized documentation of each expense must be provided. For questions, contact Customer Care at 1-844-786-3947.

PARTICIPANT INFORMATION *(to be completed by participant)*

Participant Name:	
Employer Name:	
Employee Number/ID:	
Email Address:	
Home Address:	

Please list each eligible expense below:

Under the **Benefit Type** column, select one of the following benefit codes for each expense.

FSA – Health FSA	LPFSA - Limited Purpose Health FSA	DCA – Dependent Care Account	TRN – Transit
PKG – Parking	DVFSA – Dental/Vision Health FSA	PRA – Premium Reimbursement Arrangement	

Under the **Service Code** column, select one of the following service codes.

MT – Mass Transit	PK – Parking	MD – Medical	RX – Prescription Drugs
OT – Over-the-Counter	VS – Vision	DN – Dental	IP – Individual Premiums

Paid with TASC Card	Benefit Type	Date of service	Service Code	Service Provider	Dollar Amount

For quick reimbursement, file online via your employee portal or Mobile App!

Submit your claim form with supporting documentation via FAX to 877-231-1287.

To the best of my knowledge and belief, my statements on this Request for Reimbursement are complete and true. I am requesting reimbursement only for eligible expenses incurred during the applicable Plan Year and for eligible Plan Participants. I certify that these expenses have not been previously reimbursed under this or any other benefit plan and will not be claimed as an income tax deduction. I understand that the IRS regulates my FlexSystem account and that these guidelines are implemented as a means of ensuring compliance and approval for reimbursement. I further understand that it is my responsibility to comply with these guidelines and to avoid submitting duplicate or ineligible requests, as doing so may delay payment. I authorize my Flexible Spending Account balance to be reduced by the amount requested.

Signature of Plan Participant

Date

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

Please fax or mail completed forms to:

Total Administrative Services Corp (TASC) • PO Box 7511 • Madison, WI 53707-7511
Phone: 844-786-3947 • Fax: 877-231-1287 • SW-5531-010617



ORTHODONTIA CONTRACT

PARTICIPANT INFORMATION *(to be completed by participant)*

Participant Name:			
Employer Name:			
Employee Number/ID:			
Name of Patient:		Date Treatment Begins:	

ORTHODONTIA SERVICES INFORMATION *(to be completed by orthodontist)*

Total Cost of Orthodontia Services \$ _____

Subtractions:

Insurance Payments: \$ _____

Provider Discount: \$ _____

Initial Payment Amount Due: \$ _____

Total Remaining Balances: \$ _____ / _____ = _____
Number of Months Monthly Payment and Eligible Monthly Reimbursable Amount

ADDITIONAL INFORMATION *(optional)*

Please enter any additional information below. Additional information can include down payments, special explanation of services etc.:

I certify that the expenses for reimbursement requested from my TASC accounts were incurred by me (and/or my spouse and/or eligible dependents), were not reimbursed by any other plan, and to the best of my knowledge and belief, are eligible for reimbursement under my reimbursement plans. I will not use the expense reimbursed through this account as deductions or credits when filing my individual income tax return.

This form must be signed by both the Consumer and Orthodontia Provider. Forms without both signatures will not be processed.

Signature of Participant	Date
Printed Name of Orthodontic Service Provider	Date
Signature of Orthodontic Service Provider	

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

Please fax or mail completed forms to:

Total Administrative Services Corp (TASC) • PO Box 7511 • Madison, WI 53707-7511

Phone: 844-786-3947 • Fax: 877-231-1287

SW-5534-010116

TERMS AND CONDITIONS

EMPLOYEE REIMBURSEMENT ACCOUNTS

I elect to participate and agree to be bound by the terms of the Plan.

I understand that:

- Employee Reimbursement Accounts (ERA) program is an optional benefit established for eligible state employees. The ERA program is also referred to as Flexible Spending Accounts or FSAs. The ERA program has five pretax benefit account options; Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, Dependent Day Care Flexible Spending Account, Transit Account, and Parking Account. The ERA Program is authorized under Internal Revenue Code Sections §125, §105, §129, and §132 and Wisconsin Statutes §40.85-§40.875.
- A new enrollment must be completed each plan year. If I do not complete enrollment during Open Enrollment, I forfeit the opportunity to participate in the Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, or Dependent Day Care Flexible Spending Account benefit options.
- The contribution(s) I have elected will be made with pre-tax salary reductions and that such reductions reduce my compensation for Social Security benefit purposes.
- According to Wisconsin Statutes §40.87, participation in an Employee Reimbursement Account will not reduce my wages for calculating state retirement benefits. Also, my contributions in an Employee Reimbursement Account will not reduce my gross income for the purpose of calculating any other state benefits such as sick leave conversion credits, income continuation insurance, life insurance, deferred compensation, unemployment, or worker's compensation.
- My share of eligible group insurance premium(s) will be automatically deducted before taxes. I also understand that if I do not wish to have my eligible group insurance premium(s) deducted pre-tax and prefer to be taxed on these dollars, I will contact my human resource or benefits office.
- Salary contributed into one account cannot be transferred and used for expenses in any other account.
- Participating in an Employee Reimbursement Account is completely voluntary, and that payments from my Employee Reimbursement Account are independently reviewed for compliance with IRS regulations.
- The IRS requires me to reimburse the Plan for any improper, erroneous, or excess reimbursement amount that I do not resolve within the timeframe provided by the Plan. In accordance with Wisconsin Statute §40.08(4), by enrolling in an Employee Reimbursement Account I specifically authorize the Plan Administrator, Department of Employee Trust Funds and/or my employer to withhold from my wages on a post-tax basis such amounts as are necessary to replenish my Employee Reimbursement Account(s) for any improper erroneous or excess reimbursement.
- If my employment terminates, only expenses incurred through my period of coverage as defined in the Plan can be considered for reimbursement.
- Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, and Dependent Day Care Flexible Spending Account elections can only be changed or revoked during the plan year if I have a qualified life change event as defined in the Plan or if I am no longer eligible to participate. The new election must be consistent with my change in status, must be applied for within 30 days of the qualified life change event, and is subject to final approval by my employer. I cannot lower my election to an amount that is less than what I have already been reimbursed from my account. Whether I increase or decrease my election, my new election will be spread out evenly over my remaining pay periods.
- Parking Account and Transit Account elections can be changed or revoked prior to the first day of the next monthly coverage period. Elections can only be changed for future months. Upon termination or cessation or eligibility, my elections will be immediately revoked.
- If I am enrolled in a Health Care Flexible Spending Accounts or a Limited Purpose Flexible Spending Accounts, my eligible expenses must qualify as a medical deduction under Internal Revenue Service Publications.
- If I am enrolled in a Dependent Day Care Flexible Spending Account, my eligible expenses must qualify as Dependent Care deduction under Internal Revenue Service Publication 503. The expenses are for a

qualified dependent (child under 13, spouse, or adult dependent unable to care for self), for care by a qualified dependent care provider, such as a day care center or individual, including non-dependent family member over 19, caring for my dependent(s) inside or outside the home.

- The maximum exclusion under a Dependent Day Care Flexible Spending Account for married individuals filing a joint return is \$5,000 per calendar year. Married individuals filing separately will get a lower exclusion (\$2,500 per calendar year). IRS Form 2441 must be filed with my personal income tax return.
- If I am enrolled in a Parking Account or Transit Account, my eligible expenses must qualify as a commuter benefit deduction under Internal Revenue Service Publication 5137.
- Any amounts remaining in excess of \$500 in a Health Care Flexible Spending Account or Limited Purpose Flexible Spending Account and any unused Dependent Day Care Flexible Spending Account at the close of the plan year will be forfeited in accordance with current Plan provisions and tax laws.

I certify that:

- I agree to have my compensation reduced by the contribution amount(s) I elected.
- That the information I have provided is complete and accurate to the best of my knowledge.
- I have reviewed and understand the benefits program eligibility and enrollment information and I agree to abide by all participation requirements.
- That all dependents listed meet the eligibility requirements of the program.
- I shall not claim a federal income tax deduction or credit for any expenses that were reimbursed through my Employee Reimbursement Account(s).
- That my use of the Card will comply with the terms and conditions of the cardholder agreement received with the card.
- That all expenses charged on the Card will qualify as reimbursable per IRS rules, will be incurred only for me or my eligible dependents, and will not be reimbursed and are not reimbursable through any other means, including my or my dependent's insurance Plans.
- I will keep all receipts and other documentation related to expenses charged on the Card. Upon request, within forty-five (45) days, I will fax, mail, or upload the required documentation of expenses to the Third Party Administrator.
- I understand additional Cards issued to my spouse or dependent(s) will provide the named individual with access to my Employee Reimbursement Account(s). I accept all responsibility for Card transactions incurred by the named individual and will submit supporting documentation, as requested, for those transactions.
- I acknowledge and agree that use of the Card in violation of this enrollment agreement or the Cardholder agreement may result in the invalidation and forfeiture of the Card.
- If the Third Party Administrator determines that an expense I charged on the Card was not a qualified expense under the Plan or according to IRS rules, I shall immediately reimburse the Plan for the entire amount of the unqualified expense. If I fail to timely reimburse the Plan, I understand that amounts may be withheld from my wages or from an otherwise valid expense under this Plan in order to reimburse the unqualified expense.

Signature _____ **Date** _____

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email 1customercare@tasconline.com 2



EMPLOYEE REIMBURSEMENT ACCOUNTS ENROLLMENT FORM

Please sign, date, and complete each line on the enrollment form. Enter zero (0) where no amount is being elected.

Return the completed and signed form to your employer for processing.

Please indicate your current payroll center (if unsure, contact your HR/Benefits Specialist): ☐ Central ☐ Courts
☐ Legislature ☐ Univ. of WI ☐ UW Hospital & Clinics ☐ WHEDA ☐ WEDC ☐ Wiscraft Beyond Vision

For Employer to complete:

Employer Name: **STATE OF WISCONSIN**

Participant Plan Effective Date _____ Date of First Payroll _____

EMPLOYEE/PARTICIPANT INFORMATION

Last Name _____ First Name _____ Middle Initial _____

Date of Birth _____ Date of Hire _____ Social Security Number _____

Home Phone* _____ Mobile Phone* _____ Email (Personal Preferred)* _____

Home Address (Street) _____

City _____ State _____ ZIP Code _____

**Required to access your account online or via your mobile phone, or to receive personal account notifications. Information is confidential and is not used for marketing purposes.*

ANNUAL ELECTIONS

Prior to completing your election amounts below, please refer to the instructions on page 2.

I request the following amount(s) to be deducted pretax:		Employee Annual Salary Reduction Election Amount	IRS Contribution Limits
1	Health Care FSA	\$ _____	\$2,600 per year
2	Limited Purpose Health Care FSA	\$ _____	\$2,600 per year
3	Dependent Day Care FSA	\$ _____	\$5,000 per year; \$2,500 if married filing single
4	Transit Reimbursement Account	\$ _____	\$1,560 per year/\$130 per month
5	Parking Reimbursement Account	\$ _____	\$3,000 per year/\$255 per month

TASC CARD

You will receive one TASC Card for your ERA. You may request **one additional card** for your spouse or dependent free of charge. Cards are mailed to your home address 7-10 days after your enrollment has been processed.

To request an additional TASC Card for your spouse or dependent, print his/her name below:

Spouse or Dependent Name (Last, First, MI): _____



AUTHORIZATION:

I elect to participate and agree to be bound by the terms of the Plan. I understand that:

- Employee Reimbursement Accounts (ERA) program is an optional benefit established for eligible state employees. The ERA program is also referred to as Flexible Spending Accounts or FSAs. The ERA program has five pretax benefit account options; Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, Dependent Day Care Flexible Spending Account, Transit Account, and Parking Account. The ERA Program is authorized under Internal Revenue Code Sections §125, §105, §129, and §132 and Wisconsin Statutes §40.85-§40.875.
- A new enrollment must be completed each plan year. If I do not complete enrollment during Open Enrollment, I forfeit the opportunity to participate in the Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, or Dependent Day Care Flexible Spending Account benefit options.
- The contribution(s) I have elected will be made with pre-tax salary reductions and that such reductions reduce my compensation for Social Security benefit purposes.
- According to Wisconsin Statutes §40.87, participation in an Employee Reimbursement Account will not reduce my wages for calculating state retirement benefits. Also, my contributions in an Employee Reimbursement Account will not reduce my gross income for the purpose of calculating any other state benefits such as sick leave conversion credits, income continuation insurance, life insurance, deferred compensation, unemployment, or worker's compensation.
- My share of eligible group insurance premium(s) will be automatically deducted before taxes. I also understand that if I do not wish to have my eligible group insurance premium(s) deducted pre-tax and prefer to be taxed on these dollars, I will contact my human resource or benefits office.
- Salary contributed into one account cannot be transferred and used for expenses in any other account.
- Participating in an Employee Reimbursement Account is completely voluntary, and that payments from my Employee Reimbursement Account are independently reviewed for compliance with IRS regulations.
- The IRS requires me to reimburse the Plan for any improper, erroneous, or excess reimbursement amount that I do not resolve within the timeframe provided by the Plan. In accordance with Wisconsin Statute §40.08(4), by enrolling in an Employee Reimbursement Account I specifically authorize the Plan Administrator, Department of Employee Trust Funds and/or my employer to withhold from my wages on a post-tax basis such amounts as are necessary to replenish my Employee Reimbursement Account(s) for any improper erroneous or excess reimbursement.
- If my employment terminates, only expenses incurred through my period of coverage as defined in the Plan can be considered for reimbursement.
- Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, and Dependent Day Care Flexible Spending Account elections can only be changed or revoked during the plan year if I have a qualified life change event as defined in the Plan or if I am no longer eligible to participate. The new election must be consistent with my change in status, must be applied for within 30 days of the qualified life change event, and is subject to final approval by my employer. I cannot lower my election to an amount that is less than what I have already been reimbursed from my account. Whether I increase or decrease my election, my new election will be spread out evenly over my remaining pay periods.
- Parking Account and Transit Account elections can be changed or revoked prior to the first day of the next monthly coverage period. Elections can only be changed for future months. Upon termination or cessation of eligibility, my elections will be immediately revoked.
- If I am enrolled in a Health Care Flexible Spending Accounts or a Limited Purpose Flexible Spending Accounts, my eligible expenses must qualify as a medical deduction under Internal Revenue Service Publications.
- If I am enrolled in a Dependent Day Care Flexible Spending Account, my eligible expenses must qualify as Dependent Care deduction under Internal Revenue Service Publication 503. The expenses are for a qualified dependent (child under 13, spouse, or adult dependent unable to care for self), for care by a qualified dependent care provider, such as a day care center or individual, including non-dependent family member over 19, caring for my dependent(s) inside or outside the home.
- The maximum exclusion under a Dependent Day Care Flexible Spending Account for married individuals filing a joint return is \$5,000 per calendar year. Married individuals filing separately will get a lower exclusion (\$2,500 per calendar year). IRS Form 2441 must be filed with my personal income tax return.
- If I am enrolled in a Parking Account or Transit Account, my eligible expenses must qualify as a commuter benefit deduction under Internal Revenue Service Publication 5137.
- Any amounts remaining in excess of \$500 in a Health Care Flexible Spending Account or Limited Purpose Flexible Spending Account and any unused Dependent Day Care Flexible Spending Account at the close of the plan year will be forfeited in accordance with current Plan provisions and tax laws.



I certify that:

- I agree to have my compensation reduced by the contribution amount(s) I elected.
- That the information I have provided is complete and accurate to the best of my knowledge.
- I have reviewed and understand the benefits program eligibility and enrollment information and I agree to abide by all participation requirements.
- That all dependents listed meet the eligibility requirements of the program.
- I shall not claim a federal income tax deduction or credit for any expenses that were reimbursed through my Employee Reimbursement Account(s).
- That my use of the Card will comply with the terms and conditions of the cardholder agreement received with the card.
- That all expenses charged on the Card will qualify as reimbursable per IRS rules, will be incurred only for me or my eligible dependents, and will not be reimbursed and are not reimbursable through any other means, including my or my dependent's insurance Plans.
- I will keep all receipts and other documentation related to expenses charged on the Card. Upon request, within forty-five (45) days, I will fax, mail, or upload the required documentation of expenses to the Third Party Administrator.
- I understand additional Cards issued to my spouse or dependent(s) will provide the named individual with access to my Employee Reimbursement Account(s). I accept all responsibility for Card transactions incurred by the named individual and will submit supporting documentation, as requested, for those transactions.
- I acknowledge and agree that use of the Card in violation of this enrollment agreement or the Cardholder agreement may result in the invalidation and forfeiture of the Card.
- If the Third Party Administrator determines that an expense I charged on the Card was not a qualified expense under the Plan or according to IRS rules, I shall immediately reimburse the Plan for the entire amount of the unqualified expense. If I fail to timely reimburse the Plan, I understand that amounts may be withheld from my wages or from an otherwise valid expense under this Plan in order to reimburse the unqualified expense.

Signature _____ **Date** _____



ENROLLMENT FORM INSTRUCTIONS

Instructions for entering elections under each applicable account type:

- 1. Health Care FSA Election:** This amount you expect to pay out-of-pocket toward eligible medical expenses throughout the Plan Year, which may include deductible and co-insurance portions of health insurance (NOT premiums), dental expenses, orthodontic expenses, eye care, and other eligible healthcare expenses. Per IRS regulations, a Participant may elect a maximum of \$2,600 per Plan Year (indexed annually for inflation). Your annual election will be split into equal amounts to be deducted pre-tax from every payroll throughout the Plan Year. Your total annual election amount is available for reimbursement on the first day of the Plan Year as eligible expenses are incurred.
- 2. Limited Purpose Health Care Election:** If also enrolled in a Health Savings Account (HSA), you may participate in a Limited Purpose Health Care FSA plan that allows reimbursement for dental, vision, and post-deductible expenses only.
- 3. Dependent Day Care FSA Election:** Amount you expect to pay out-of-pocket for eligible day care expenses for the Plan Year. The maximum allowable amount under IRS regulations is \$5,000 per calendar year per family; \$2,500 per calendar year for married individuals filing single. Plan funds are available as they are contributed.
- 4. Transit Reimbursement Account Election:** Amount incurred to travel to and from work on mass transit facilities, or commuter highway vehicles. Examples of eligible expenses are vouchers, fare cards, or tokens for a bus, train, ferry, subway, or vanpool. Monthly limits apply.
- 5. Parking Reimbursement Account Election:** Amount incurred for parking expenses at or near your place of employment or at a location from which you commute to work (e.g. ramp or park 'n ride). Monthly limits apply.

FREQUENTLY ASKED QUESTIONS

- 1. What does an ERA offer?** An Employee Reimbursement Account (ERA) offers you a choice to pay for certain qualified benefits on a pretax basis. Paying for certain benefits with pretax dollars reduces the amount you pay in taxes and increases your take-home pay. Every dollar paid on a pretax basis results in a savings to you.
- 2. Any cost or fee to me?** No.
- 3. Must I participate in my employer's health insurance?** The ERA is not tied to any insurance plan or company. You may participate in an ERA regardless of your particular insurance provider.
- 4. What are qualified medical expenses?** These expenses include dental care, prescriptions, eyeglasses, and out-of-pocket medical expenses not covered by insurance. However, vitamins and other dietary supplements taken for general health purposes are not eligible. Purchases of over-the-counter (OTC) medicines and drugs (with the exception of insulin) are only reimbursable if accompanied by a prescription or Prescription Order Form from your medical practitioner. Participants in the Limited FSA can expense dental, vision, and post-deductible expenses. Below are some **examples** of eligible OTC health related expenses:

Examples of OTC items that require a prescription or Prescription Order Form: Acid Controllers, Allergy and Sinus, Antibiotic Products, Cough, Cold and Flu, Digestive Aids, Pain Relief, Respiratory Treatments, Sedatives, and Stomach Remedies.

Examples of OTC items that are eligible and need no physician authorization: Bandages, Blood Pressure Kits, Contact Lenses, Contact Lens Solution, Diabetes Testing Supplies, Durable Medical Equipment, Hearing Aid Batteries, Heating Pads, Insulin, Nebulizers, Thermometers, and Walkers and Wheelchairs.
- 5. How does the Dependent Day Care FSA compare with the tax credit available on the individual Form 1040?** The circumstances that determine which option offers greater savings vary from family to family, as such, the decision to choose the tax credit or the dependent care deduction may be made on a case by case basis only. Participation in a Dependent Day Care FSA results in an immediate savings on Federal, State, and Social Security tax, whereas the Federal credit will affect Federal Income Tax only and will be taken at year-end.
- 6. How does a Cafeteria Plan affect Social Security benefits?** Reduction of your Social Security benefits will be minimal and is offset by the tax savings and lower health care costs available with an ERA. To compensate for this minimal reduction, you may consider increasing your retirement plan funding.
- 7. Under what circumstances can the annual election be changed?** The elections may be changed only if there is a change in family or employment status. See the Change of Elections Form for more detail.
- 8. Carryover for Health Care FSA and Limited Purpose Health Care FSA?** Your employer offers the Carryover Provision which allows up to \$500 of your account balance to automatically carry over into the next plan year once the run-out period has ended. Any remaining funds over \$500 at the end of the plan year run-out period will be forfeited to your employer.



9. Who determines the rules and regulations of an ERA? Employee Reimbursement Accounts (ERAs) are regulated by the IRS. Our documentation guidelines are intended as a means to ensure eligibility of your requests for reimbursement. It is the Participant's responsibility to comply with these guidelines and to avoid duplication of requests or submission of ineligible charges. Failure to adhere to the above requirements could lead to payment delays or denial of expenses. In the event of an error or omission in the course of administering the Plan on behalf of the employer and participating employees, TASC will notify and remedy the error or omission. The employer and employees agree to TASC's procedures for making any corrections, including but not limited to payroll reduction. An error by the employer or TASC does not constitute an assumption of liability for the amount of the error.

NON-DISCRIMINATION POLICY

Discrimination is Against the Law 45 C.F.R. § 92.8(b)(1) & (d)(1)

Total Administrative Services Corporation complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. TASC does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

TASC provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats. TASC provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact TASC's Civil Rights Coordinator. If you believe that TASC has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Civil Rights Coordinator, 2302 International Lane, Madison, WI 53704; Phone: 1-608-316-2408; Fax: 1-877-231-1287; Email: CivilRightsCoordinator@tasconline.com. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, TASC's Civil Rights Coordinator is available to help you. You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf> or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-868-1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電1-877-533-5020 (TTY:1-800-947-3529)。

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-877-533-5020 (TTY: 1-800-947-3529).

ال ل غى ة ل مس اعدة خ دم ا ت ف ا ن ل ل غى ة ل ا ك ر ت ت ح د ث ك ن ت ا ذ ا : م ل ح و ط ة 1-877-533-5020 ف ي م

ب ر ق ك ج ص ل ب ل م ج ا ن ل ا ف ت ت ف ك ر و ل ب ك م ل ص م ه ف : 1-800-947-3529

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-877-533-5020 (телетайп: 1-800-947-3529).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-877-533-5020 (TTY: 1-800-947-3529) 번으로 전화해 주십시오.

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-877-533-5020 (TTY: 1-800-947-3529).

Wann du [Deutsch (Pennsylvania German / Dutch)] schwetzschst, kannst du mitaus Koschte ebber gricke, ass dihr helfst mit die englisch Schprooch. Ruf selli Nummer uff: Call 1-877-533-5020 (TTY: 1-800-947-3529).

ໂປດຊາບ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ, ຄຸນນະພາບມີໄວ້ສຳລັບທ່ານ. ໂທ 1-877-533-5020 (TTY: 1-800-947-3529).

ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-877-533-5020 (ATS : 1-800-947-3529).

UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 1-877-533-5020 (TTY: 1-800-947-3529).

ध्यान दें: यदि आप हिंदी बोलते हैं तो आपके लिए मुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 1-877-533-5020 (TTY: 1-800-947-3529) पर कॉल करें।

KUJDES: Nëse flitni shqip, për ju ka në dispozicion shërbime të asistencës gjuhësore, papagesë. Telefononi në 1-877-533-5020 (TTY: 1-800-947-3529).

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-877-533-5020 (TTY: 1-800-947-3529)



CLAIM REPAYMENT FORM

The Claim Repayment Form is for the repayment of ineligible charges only. Please read and complete each section as it applies to your repayment request.

PARTICIPANT INFORMATION *(to be completed by participant)*

Participant Name:

Employer Name:

Employee Number/ID:

COMPLETE THIS SECTION FOR INELIGIBLE CLAIM(S) REQUIRING REPAYMENT. (ATTACH CLAIM REPAYMENT NOTIFICATION)

Date of Card Charge	Provider/Merchant of Ineligible Service	Total Card Charge	Repayment Amount Due

I hereby certify that the treatment plan(s) listed above is/are medically necessary to treat the ailment or medical condition listed above. This treatment plan is neither for cosmetic reasons nor for general health and well-being.

CHOOSE REPAYMENT OPTION

- ☐ **Electronic Funds Transfer (EFT):** Withdrawal from your TASC Direct Deposit account. If you do not have direct deposit set-up, log in to your online account.
- ☐ **Check/Money Order:** Mail repayment to the address listed on this form made payable to "TASC Claims Repayments".
- ☐ **Replacement Receipts:** To submit out-of-pocket expenses to apply toward repayment amount due, complete below section.

Date of Service	Description of Service	Provider	Total Charge Amount

AUTHORIZATION

I certify that the expenses for reimbursement requested from my accounts were incurred by me (and/or my spouse and/or eligible dependents), were not reimbursed by any other plan, and to the best of my knowledge and belief, are eligible for reimbursement under my reimbursement plans. I or (we) will not use the expense reimbursed through this account as deductions or credits when filing my (our) individual income tax return. Any person, who knowingly and with intent to injure, defraud or deceive any insurance company, administrator, or plan service provider, files a statement of claim containing false, incomplete or misleading information may be guilty of a criminal act punishable under law.

Signature of Plan Participant

Date

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

Please fax or mail completed forms to:

Total Administrative Services Corp (TASC) • PO Box 7511 • Madison, WI 53707-7511

Phone: 844-786-3947 • Fax: 877-231-1287

SW-5532-101016



DIRECT DEPOSIT AUTHORIZATION

There are several ways you can set-up direct deposit:

1. Set-up your direct deposit immediately via your [TASC Online Account](#).
2. Set-up your direct deposit immediately via the [TASC Mobile App](#).
3. Fax or mail this Direct Deposit Authorization form to TASC. Updates will be made within 10 business days.

PARTICIPANT INFORMATION <i>(to be completed by participant)</i>				
Participant Name:				
Employer Name:				
Employee Number/ID:				
Address:		Apt #:		
City:		State:		ZIP:
Email Address:				
BANK ACCOUNT INFORMATION				
Bank Name:		<input checked="" type="checkbox"/> Checking Account <input type="checkbox"/> Savings Account		
Bank Address:				
City:		State:		ZIP:
Name on Account:				
Account Number:		Routing Number:		

IMPORTANT: Please provide a voided check for the account listed above. We will not process without a voided check.
Do not use a deposit slip, as the number may be invalid.

AUTHORIZATION	
I authorize reimbursements from my TASC Health Care FSA, Limited Purpose FSA, Dependent Day Care FSA, Transit, Parking, or HSA, benefits to be sent to the financial institution named above to be deposited in the designated account. In the event funds are deposited erroneously into my account, I authorize TASC to debit my account(s) not to exceed the original amount of the credit. I also understand that all direct deposits are made through the automated clearing house (ACH) and that fund availability is subject to the terms and limitations of the ACH as well as my financial institution.	
Signature of Plan Participant:	Date:

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.
LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

Please fax or mail completed forms to:
Total Administrative Services Corp (TASC) • PO Box 7511 • Madison, WI 53707-7511
Phone: 844-786-3947 • Fax: 877-231-1287

SW-5529-071217



Change of Election Form

A change of election must be (1) on account of and correspond to one of the Qualifying Events below, and (2) made within 30 days of the qualifying event. These events are *not* required for changes to the Transit or Parking Flexible Spending Account and Health Savings Accounts.

Plan Participant: Complete the form below, sign, and submit to your Payroll/Benefits Office. Retain a copy for your records.

Client/Employer: Make changes to an employee's account in your HRIS/Payroll System and submit changes to TASC via eligibility file. If you do not submit eligibility files to TASC, please submit completed forms to stateofwi@tasconline.com. Detailed instructions are provided in the TASC Administration Manual.

This form is for your internal use only. Retain for your records.

Participant Name: _____

Employer: _____

Participant ID: _____

Effective date
of change: _____

First payroll date
affected by change: _____

Type of Change

I hereby request a changes in my benefit election(s) as follows:

	Current Payroll Deduction Amount	New Payroll Deduction Amount	Revised Annual Election*
Healthcare Flex Spending Account	\$ _____	\$ _____	\$ _____
Dependent Day Care Flex Spending Account	\$ _____	\$ _____	\$ _____
Limited Purpose Healthcare Flex Spending Account	\$ _____	\$ _____	\$ _____
Transit Reimbursement Account	\$ _____	\$ _____	\$ _____
Parking Reimbursement Account	\$ _____	\$ _____	\$ _____
Health Savings Account (HSA)	\$ _____	\$ _____	\$ _____

***Required to be entered.** The revised annual amount is determined by adding your year-to-date deductions taken at the old rate to your deductions to be taken for the remaining pay periods in the Plan Year.

Reason for Change (Qualifying Events)

- | | | |
|---|---|---|
| <input type="checkbox"/> Change in Legal Marital Status | <input type="checkbox"/> Change in the Cost of Coverage* | <input type="checkbox"/> Judgement, Decree or Order |
| <input type="checkbox"/> Change in Number of Dependents | <input type="checkbox"/> HIPAA Special Enrollment Rights* | <input type="checkbox"/> Entitlement to Medicare/Medicaid |
| <input type="checkbox"/> Dependent Satisfies or Ceases to Satisfy Eligibility Requirements | <input type="checkbox"/> Significant Curtailment of Coverage* | <input type="checkbox"/> COBRA |
| <input type="checkbox"/> Change in Employment Status | <input type="checkbox"/> Addition/Elimination of Benefit Package* | <input type="checkbox"/> FMLA |
| <input type="checkbox"/> Change in Residence* | | |
| <input type="checkbox"/> Change in Coverage of Spouse or Dependent Under Other Employer's Plan* | | |
| <input type="checkbox"/> Loss of group health coverage sponsored by governmental or educational institutions* | | |
| <input type="checkbox"/> Exchange Event: reduction in hours (less than 30)* | | |
| <input type="checkbox"/> Exchange Event: Exchange enrollment during Exchange open or special enrollment period* | | |
| <input type="checkbox"/> Rescind my enrollment application prior to the start of the Plan Year** | | |

**The Medical Out-of-Pocket FSA cannot be changed due to one of these nine events.*

***The ability to rescind an application can only occur if the Request to Change form is received prior to the start of the Plan Year. You cannot make mid-year changes, including canceling your account, unless you experience a qualifying event.*

Participant Signature _____

Date _____

Client/Employer Signature _____

Date _____

TASC | PO Box 7511 | Madison, WI 53707 | 1.844.786.3947 | <https://partners.tasconline.com/ETFEmployees>
SW-5894-010617 SOW

The information in this communication is confidential and may only be used by the authorized recipient for its intended purpose.
Any other use or disclosure is prohibited.



NON-DISCRIMINATION POLICY

Discrimination is Against the Law 45 C.F.R. § 92.8(b)(1) & (d)(1)

Total Administrative Services Corporation complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. TASC does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

TASC provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats. TASC provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact TASC's Civil Rights Coordinator. If you believe that TASC has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Civil Rights Coordinator, 2302 International Way, Madison, WI 53704; Phone: 1-608-316-2408; Fax: 1-877-231-1287; Email: CivilRightsCoordinator@tasconline.com. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, TASC's Civil Rights Coordinator is available to help you. You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf> or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-868-1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電1-877-533-5020 (TTY: 1-800-947-3529)。

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-877-533-5020 (TTY: 1-800-947-3529).

ال لغوية المساعدة خدمات في إن اللغة انكرت تحدثت تك إذا ملحوظة 1-877-533-5020 رقم

برقم اتصل بالامكان لك توافر وال لكم الا صم هاتف: 1-800-947-3529

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-877-533-5020 (телетайп: 1-800-947-3529).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-877-533-5020 (TTY: 1-800-947-3529). 번으로 전화해 주십시오.

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-877-533-5020 (TTY: 1-800-947-3529).

Wann du [Deutsch (Pennsylvania German / Dutch)] schwetzscht, kannscht du mitaus Koschte ebber gricke, ass dihr helfft mit die englisch Schprooch. Ruf selli Nummer uff: Call 1-877-533-5020 (TTY: 1-800-947-3529).

ໂປດຊາບ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ຄ່າ, ມີພ້ອມໃຫ້ທ່ານ. ໂທ 1-877-533-5020 (TTY: 1-800-947-3529).

ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-877-533-5020 (ATS : 1-800-947-3529).

UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 1-877-533-5020 (TTY: 1-800-947-3529).

ध्यान दें: यदि आप हिंदी बोलते हैं तो आपके लिए मुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 1-877-533-5020 (TTY: 1-800-947-3529) पर कॉल करें।

KUJDES: Nëse flitni shqip, për ju ka në dispozicion shërbime të asistencës gjuhësore, papagesë. Telefononi në 1-877-533-5020 (TTY: 1-800-947-3529).

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-877-533-5020 (TTY: 1-800-947-3529)



AUTHORIZATION FOR RELEASE OF INFORMATION

I hereby authorize the use or disclosure of my individually identifiable health information as described below.

I understand that this authorization is voluntary, that I may refuse to sign this authorization, and that I may revoke it at any time by submitting my revocation in writing to TASC.

PARTICIPANT INFORMATION (to be completed by participant)	
Participant Name:	
Employer Name:	
Employee Number/ID:	
Below, list all Persons/Organizations authorized to receive the information:	
All of my health information can be disclosed:	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, please provide specific description of information to be used or disclosed:	

☐ I understand the specific purpose of the disclosure may be made at the request of the authorized individual.

This authorization will expire upon termination of coverage. However, I may revoke authorization at any time by submitting written revocation to TASC.

☐ I have read and understand the following statements about my rights

- I may revoke this authorization at any time prior to its expiration date by notifying the providing organization, in writing, but the revocation will not have any effect on any actions that the business associate took before receiving the revocation.
- I may see and copy the information described on this form if I ask for it.
- I am not required to sign this form to receive my health care benefits (enrollment, treatment, or payment).
- The information that is used or disclosed pursuant to this authorization may be re-disclosed by the receiving business associate. I have the right to seek assurances from the above-named persons/organizations authorized to receive the information that they will not re-disclose the information to any other party without my further authorization.

Signature of Individual or Individual's Representative (form must be completed prior to signing):	Date:
Printed Name:	

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

Please fax or mail completed forms to:

Total Administrative Services Corp (TASC) • PO Box 7511 • Madison, WI 53707-7511
Phone: 844-786-3947 • Fax: 877-231-1287

SW-5527-101016

TERMS AND CONDITIONS

HEALTH SAVINGS ACCOUNT

I elect to participate and agree to be bound by the terms of the Plan.

I understand that:

- Health Savings Account (HSA) program is a benefit established for eligible state employees enrolled in one of the It's Your Choice High Deductible Health Plans. The HSA program is authorized under Internal Revenue Code Sections §125, §105, and §223 and Wisconsin Statutes §40.85-§40.875.
- A new enrollment must be completed each plan year. If I do not complete enrollment during Open Enrollment, I forfeit the opportunity to participate in the Health Savings Account benefit option.
- The contribution(s) I have elected will be made with pre-tax salary reductions and that such reductions reduce my compensation for Social Security benefit purposes.
- According to Wisconsin Statutes §40.87, participation in a Health Savings Account will not reduce my wages for calculating state retirement benefits. Also, my contributions in a Health Savings Account will not reduce my gross income for the purpose of calculating any other state benefits such as sick leave conversion credits, income continuation insurance, life insurance, deferred compensation, unemployment, or worker's compensation.
- Salary contributed into one account cannot be transferred and used for expenses in any other account.
- Contributing in a Health Savings Account is completely voluntary, and that payments from my Health Savings Account are independently reviewed for compliance with IRS regulations.
- Generally, contributions to the HSA account are made on a month-to-month rule basis depending on what coverage I am enrolled in under the It's Your Choice High Deductible Health Plan on the first day of the month. For each month that I am enrolled in individual coverage a total of \$283.33 a month can be contributed. For each month that I am enrolled in family coverage a total of \$562.50 a month can be contributed. If I change enrollment in the It's Your Choice High Deductible Health Plan during the plan year, I can change my contributions based on the month-to-month rule. For example, I am enrolled in individual coverage for 6 months of the year and for the other 6 months I have family coverage. My total contributions are: $(6 \times \$283.33) + (6 \times \$562.50)$ or $\$1700 + \$3375 = \$5075.00$.
- There is a limited exception to the month-to-month rule described above. This exception allows me to make the maximum annual contribution for the plan year based on my enrollment in the It's Your Choice High Deductible Health Plan on December 1st. Using the same 6 month example above, assume I change from individual to family coverage during the second half of the year. Under the month-to-month rule, I am limited to a maximum contribution of \$5075.00. Since I was enrolled in family coverage on December 1st, I can use the limited exception and can contribute the full family contribution amount of \$6750.00. **IMPORTANT NOTE:** In order to use this limited exception, I have to stay enrolled in the It's Your Choice High Deductible Health Plan at the same or higher level of coverage for the entire next plan year, called the 'testing period'. If I do not maintain this coverage, for instance I terminate employment or switch to a Non-High Deductible Health Plan the next plan year, then the excess funds contributed will be subject to a 10% excise tax.
- My eligible expenses must qualify as a medical deduction under Internal Revenue Service Publication 502.

I certify that:

- I am covered by one of the qualified It's Your Choice High Deductible Health Plan (HDHP), and that I am not covered by any other health insurance coverage. I certify that I have received a copy of the Application and Custodial Agreement and Disclosure Statement and amendments thereto. I assume sole responsibility for all consequences found in the Application and Custodial Agreement and Disclosure Statement. I understand that I may revoke the HSA on or before seven (7) days after the date of establishment. I have not received any tax or legal advice from the custodian, and I will seek the advice of my own tax or legal professional to ensure my compliance with related laws. I release and agree to hold the HSA custodian harmless against any and all claims or losses arising from my actions.

- I agree to have my compensation reduced by the contribution amount(s) I elected.
- That the information I have provided is complete and accurate to the best of my knowledge.
- I have reviewed and understand the benefits program eligibility and enrollment information and I agree to abide by all participation requirements.
- That all dependents listed meet the eligibility requirements of the program.
- I shall not claim a federal income tax deduction or credit for any expenses that were reimbursed through my Health Savings Account.
- I will inform my human resource benefit office as soon as reasonably possible when I am no longer eligible to contribute to the HSA Account, for instance if I obtain other non-permitted coverage such as coverage under my spouse's plan, and I understand any contributions made for any month in which I am not an eligible individual will be subject to an excise tax, and that my Employer will deduct any contributions it made for such an ineligible month from my account.
- That my use of the Card will comply with the terms and conditions of the cardholder agreement received with the card.
- That all expenses charged on the Card will qualify as reimbursable per IRS rules, will be incurred only for me or my eligible dependents, and will not be reimbursed through any other means, including my or my dependent's insurance Plans.
- I will keep all receipts and other documentation related to expenses charged on the Card. Upon request, within forty-five (45) days, I will fax, mail, or upload the required documentation of expenses to the Third Party Administrator.
- I understand additional Cards issued to my spouse or dependent(s) will provide the named individual with access to my Health Savings Account. I accept all responsibility for Card transactions incurred by the named individual and will submit supporting documentation, as requested, for those transactions.
- I acknowledge and agree that use of the Card in violation of this enrollment agreement or the Cardholder agreement may result in the invalidation and forfeiture of the Card.

Signature _____ **Date** _____

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
 ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.
 LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).



RETIREE ENROLLMENT



State of Wisconsin

HEALTH SAVINGS ACCOUNT

2018





WELCOME

Save up to 30% with a Health Savings Account (HSA)!

It's Your Choice Open Enrollment

- Annual It's Your Choice Open Enrollment Period: **October 2 – 27, 2017**
- 2018 Benefit Period: **January 1 – December 31, 2018**
- **Note:** You must re-enroll in an HSA each year, even if you plan to continue your It's Your Choice (IYC) High-Deductible Health Plan (HDHP) enrollment.

Qualified Life Change Event

If you experience a qualified life change event, such as a marriage or divorce, birth or adoption of a child, or another qualified life change event, you may have the opportunity to enroll or change your coverage outside of the open enrollment period. There are various rules related to qualified life change events. Changes due to a qualifying life event must be made within 30 days from the date of the event.

Important Program Information

Expense Deadline – For the 2017 Benefit Period, you must incur all eligible expenses by December 31, 2017. For the 2018 Benefit Period, you must incur all eligible expenses by December 31, 2018. The HSA can only be used to pay for eligible health care expenses incurred after your HSA was established.

Re-Enrollment – You must re-enroll each year to continue participation. Elections do not carry forward from year to year.

Claims Deadline – While you should always try to submit requests for distribution during the same plan year in which the expense was incurred, there is no deadline to request an HSA distribution. You can only be reimbursed for eligible expenses incurred after your HSA was established and funded.

Carryover – All unused HSA funds carryover year-to-year without forfeiture.

Important Changes for 2018

HSA Contribution Limits

- The annual individual limit for an HSA contribution will increase by \$50, from \$3,400 to \$3,450.
- The annual family contribution limit will increase by \$100, from \$6,750 to \$6,850.

TASC Benefits Mobile App

- The TASC Benefits mobile app lets you access your account information wherever you are – 24/7!
- To download, visit the iOS App Store or Android Marketplace and search for “eflex Benefits.”
 - File claims using your mobile device's camera – simply take a picture of your receipt and upload.
 - Keep track of any changes to your account balance.
 - View your plan end date and run-out period.
 - View claims history.
 - Check claim status.
 - Enjoy totally secure access.

We look
forward to
meeting your
HSA needs!

TASC Customer Care

Phone	844-786-3947 or 608-316-2408 Monday – Friday, 8:00 a.m. to 5:00 p.m.
Online	https://partners.tasconline.com/ETFEmployee
Email	1customercare@tasconline.com
Mail	P.O. Box 7511 Madison, WI 53707
Fax	877-231-1287



HEALTH SAVINGS ACCOUNT



A Health Savings Account (HSA) is an individually-owned, tax-advantaged account you can use to pay for current or future eligible health care expenses. With an HSA, you'll have the potential to build more savings for health care expenses or additional savings through self-directed investment options.

What are the benefits of an HSA?

- Pre-tax contributions reduce your taxable income.
- Post-tax contributions are tax deductible.
- Make changes to your contribution at any time.
- Distributions for eligible medical expenses are tax free.
- HSA funds carry over year-to-year without forfeiture.
- Contributions to your HSA belong to you, even in retirement.¹
- Grow your savings over time by earning interest.
- After age 65, your funds can be withdrawn for any purpose without penalty (subject to regular income taxes).

How does it work?

- Before age 65, you can contribute to your HSA via online transfer from your personal bank account to your HSA. Third parties, such as a spouse or parent, may contribute to your account as well.
- You can pay for eligible medical expenses with your TASC Card or pay out-of-pocket. If you pay out-of-pocket, you can either choose to reimburse yourself or keep the funds in your HSA to grow your savings.
- After retirement, you will be responsible for the \$3.00 monthly service fee.
- Manage your HSA account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>.

Who is eligible?

The following individuals are **eligible** for the HSA, provided they meet **all** HSA eligibility requirements and are enrolled in an It's Your Choice (IYC) High Deductible Health Plan (HDHP):

- State employees, except those who are eligible for the graduate assistant/short term academic staff benefits package and are not in the Wisconsin Retirement System, are eligible to participate.
- Limited Term Employees (LTEs) who are eligible for the State of Wisconsin Group Health Insurance Program are eligible to participate.
- Retirees younger than age 65 are eligible to participate. Retirees enrolled in the IYC HDHP/HSA benefit option must keep their HSA open and active, and pay the \$3.00 monthly HSA service fee.

Who is not eligible?

The following are **not** eligible for the HSA:

- Short-term academic staff not in the Wisconsin Retirement System
- Graduate assistants
- Retirees older than 65 years of age
- Subscribers not enrolled in an IYC HDHP
- Subscribers with disqualifying other health coverage that pays out-of-pocket health care expenses before meeting the plan deductible, such as a spouse's non-HDHP health plan, Medicare, or a Health Care Flexible Spending Account. See Disqualifying Other Coverage and Permitted Other Coverage on page 4 for more information.

Annual HSA Limits	2018	2017
Individual HSA Contribution Limit ²	\$3,450	\$3,400
Family HSA Annual Contribution Limit ²	\$6,850	\$6,750
HSA Catch-Up Contribution Limit ³	\$1,000	\$1,000

²: Contributions from all sources combined, such as employee, employer, and third parties (i.e. parent, spouse, or anyone else) must not exceed these limits.

³: Health Savings Account holders that meet these qualifications are eligible to make an HSA Catch-Up Contribution of \$1,000: age 55-65 (regardless of when in the year an account holder turns 55), not enrolled in Medicare (if an account holder enrolls in Medicare mid-year, catch-up contributions should be pro-rated).



Annual HSA Limits

This is the amount the Internal Revenue Service (IRS) allows to be contributed to an individual HSA. If a married individual's spouse also has an HSA, the two can only contribute up to the total contribution limit between the two HSAs.

¹: Employees that terminate employment but keep HSA open and active pay the \$3.00 monthly HSA service fee.



HSA Eligibility Requirements

To be eligible for the Health Savings Account (HSA), the subscribing participant:

- **Must** be covered by an It's Your Choice (IYC) High Deductible Health Plan (HDHP).
- **Cannot** have any other health coverage that pays for out-of-pocket health care expenses before meeting the plan deductible (including Medicare). See Disqualifying Other Coverage section below for more details.
- **Cannot** be claimed as a dependent on another person's tax return (unless it's your spouse).

Disqualifying Other Coverage

- You cannot have any other health coverage that pays for out-of-pocket health care expenses before you meet your IYC HDHP deductible, including Medicare A and B.
- You cannot be covered by TRICARE, or have accessed your Veterans Administration (VA) benefits in the past 90 days (to contribute to an HSA). Exceptions may apply. See HSA Participant Guide for more details.
- You (and your spouse) cannot have a Health Care Flexible Spending Account (FSA) in the same year.
- **Note:** You must notify ETF of any other medical coverage when enrolling in, and at any point while enrolled in, the HDHP and HSA. Other types of health coverage that pay out-of-pocket health care expenses before meeting the IYC HDHP deductible may disqualify you from the HSA, including a spouse's non-HDHP health plan, Medicare, or a Health Care FSA.
- If you are determined to be ineligible for the HSA, you may have to repay HSA distributions and your IYC HDHP enrollment may be impacted.

If You Enrolled...

- During IYC Open Enrollment, but were never eligible for an HSA
- Mid-year, but were never eligible for an HSA
- During IYC Open Enrollment or mid-year, but became ineligible after the coverage effective date

Your HSA Will Be Retroactive To...

- January 1 of the current plan year
- Your HSA effective date for the current plan year
- Your date of ineligibility

Permitted Other Coverage

- Certain types of other insurance are allowable:
 - Accident/liability
 - Dental care
 - Vision care
 - Long-term care
 - Disability
 - Workers compensation
 - Hospitalization
 - Specific disease or illness insurance, if the insurance pays a specific dollar amount when the policy is triggered
 - Wellness programs and worksite assistance programs (EAP) if they do not pay for significant medical benefits

Retirees Younger than 65 Year of Age

- If you are a retiree younger than age 65 and continue to meet all HSA eligibility requirements (see eligibility information on pages 3 and 4), you are eligible to continue participation in the IYC HDHP and HSA benefit option.
- If you elect to continue your IYC HDHP and HSA:
 - You **must** keep your State of Wisconsin-sponsored HSA open and active.
 - You **must** enroll in the HSA each year during open enrollment to keep your HSA active and maintain HSA contribution eligibility.
 - You will be responsible for the \$3 monthly account maintenance fee.
 - HSA contributions are no longer deducted from your paycheck. You can make them via your TASC online account.

Loss of HSA Eligibility



You lose HSA eligibility as of the first day of the month you turn 65 and/or enroll in Medicare.

Note: Once you reach age 65, you are eligible for penalty-free withdrawals, allowing you to use your HSA funds for any reason. You can also use your HSA to pay for some insurance premiums. However, most Americans begin Medicare at age 65, therefore losing HSA eligibility. To learn more about these important changes, visit <https://partners.tasconline.com/ETFEmployee>.



ELIGIBLE HSA HEALTH CARE EXPENSES



Below is a partial list of eligible expenses that are reimbursable through an HSA. Eligible expenses can be incurred by you, your spouse, or qualified dependents. The HSA can only be used to pay for eligible health care expenses incurred after your HSA was established. For more information, see your HSA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

Medical Expenses

- Acupuncture
- Ambulance services
- Annual physical examination
- Birth control/contraceptive devices
- Birth classes/Lamaze¹
- Blood pressure monitor
- Chiropractic therapy/exams/adjustments
- Co-payments
- Crutches¹
- Dermatology services
- Diagnostic services
- Flu shots
- Hearing aids and batteries¹
- Infertility treatments
- Insulin and diabetic supplies
- Legal sterilization
- Physical exams
- Physical therapy¹
- Podiatry services
- Sleep apnea services/products¹
- Smoking cessation programs
- Therapy or counseling
- Treatment for alcohol or drug dependency
- Vaccinations
- Wrist supports/elastic straps
- X-ray fees

¹: Restrictions may apply. See IRS Publications 502 and 969 for more details.

Note: If you have a qualified dependent child, you can use your HSA funds to pay for their eligible medical expenses through the end of the calendar year in which they turn 24.

Ineligible Health Savings Account Expenses

Note: If you pay for anything other than qualified expenses with your HSA, the amount will be taxable, and you will pay an additional tax penalty. If you are age 65 or older, the tax penalty does not apply, but the amount must be reported as taxable income. Below is a partial list of ineligible expenses. For more information, see your HSA Participant Guide.

- Advance payment for future medical expenses
- Contributions to state disability funds
- Cosmetic supplies (*makeup, moisturizers, etc.*)
- Cosmetic surgery (*unless due to trauma or disease*)
- Dietary and fiber supplements
- Electrolysis or hair removal
- Funeral, cremation & burial expenses
- Gasoline
- Health club or athletic club membership dues
- Hygiene products
- Marriage counseling
- Medicare premiums (*except Medicare supplement premiums for retirees*)
- Most insurance premiums
- Nutritional supplements and vitamins
- Over-the-counter medications not prescribed by your doctor
- Safety glasses and sunglasses (*non-prescription*)
- Weight-loss programs (*unless prescribed to treat a specific disease*)

Dental Expenses

- Cleanings and exams
- Crowns and bridges
- Dental surgery
- Dental x-rays
- Dentures
- Extractions
- Diagnostic services
- Fillings
- Orthodontia
- Root canals

Vision Expenses

- Contact lenses and lens solutions
- Eye exams
- Eye surgery
- Diagnostic services
- Laser eye surgery/LASIK
- Prescription eyeglasses
- Seeing eye dog (*buying, training, and maintaining*)

OTC Medicines and Drugs

Over-the-counter (OTC) medicines and drugs, except for insulin, require a prescription from your physician to be reimbursable with your TASC HSA. The prescription must be included with each request for reimbursement.

- Antihistamines
- First Aid supplies
- Hemorrhoid treatments
- Indigestion medications
- Nicotine patches
- Pain relievers
- Yeast infection medications

Eligible Premiums

- Qualified long term care (LTC) insurance
- COBRA leave premiums
- Any health plan premiums while receiving unemployment benefits

HSA INTEREST RATE & INVESTMENT OPTIONS



A Health Savings Account (HSA) lets you save money tax-free to pay for health care expenses not covered by insurance. If you do not use all of your HSA funds, they carry over year-to-year without forfeiture. The money is yours, even if you leave the High-Deductible Health Plan (HDHP) or state service.

Not only do you save on taxes, but your HSA dollars can grow over time, especially if you decide to compound your funds. The amount you save depends on how you choose to use your HSA funds.

Building Your Nest Egg

- Funds in your HSA account will earn interest over time.
- Once your balance reaches \$2,000, you may invest funds (in \$100 increments) above that level in a variety of HSA investment options with varying levels of related risk and returns.



Triple Tax Advantage

HSAs offer a triple tax advantage by making the following tax free:

- Contributions
- Distributions
- Investment earnings

Health Savings Account Interest Rate Disclosure

HSA balances are initially invested in an FDIC insured interest-bearing account with HealthcareBank, a division of Bell State Bank & Trust, as custodian for your HSA.

HealthcareBank uses the daily balance method to calculate interest on your HSA. This method applies a daily periodic rate to the principal balance in your HSA each day.

The following interest rate and Annual Percentage Yield (APY) apply and are effective as of November 1, 2015.

Health Savings Account Balance	Interest Rate	Annual Percentage Yield (APY)
Less than \$2,000	0.05%	0.00% - 0.05%
\$2,000 - \$4,999.99	0.10%	0.05% - 0.08%
\$5,000 - \$9,999.99	0.25%	0.08% - 0.17%
\$10,000 - \$24,999.99	0.35%	0.17% - 0.28%
\$25,000 or more	0.50%	0.28% - 0.50%

To find more information on interest rate and HSA investment options, visit the TASC website and click on the HSA Participant Guide.

- Interest rates will be paid for the portion of your daily balance within each tier.
- The interest rate and APY may change at HealthcareBank's discretion, at any time.
- Interest begins to accrue no later than the business day HealthcareBank receives credit in your HSA for the deposit of non-cash items (for example, checks).
- Interest is compounded and credited to your HSA monthly.
- If you close your HSA before interest is credited, you will not receive the accrued interest for that month.

HSA Investment Account

A unique aspect of an HSA is the ability to invest some of your savings, which may potentially increase the value of your account for retirement. In order to invest your HSA funds, you **must** set up an HSA Investment Account. See the HSA Participant Guide at <https://partners.tasconline.com/ETFEMPLOYEE> or your TASC Online Account Tools & Resources for more details. Also see the next page for HSA Investment Option offerings.

If you do not elect to participate in the investment option, the funds will remain in your HSA earning interest at the rate detailed above. For the most current rates and investment options, visit your TASC Online Account. Mutual funds are not FDIC insured.



HSA Investment Options

INTEREST BEARING OPTION

Fund Name	Category	Annual Percentage Rate	Annual Percentage Yield (APY)	Rate Effective
HealthcareBank Interest Bearing Account FDIC Insured – Bank Guaranteed	Cash Equivalent	0.20%	0.20%	June 1, 2012

MUTUAL FUND OPTIONS

Fund Name	Category	Symbol	YTD	3 Year Return	5 Year Return	10 Year Return	Expense Ratio
James Balanced: Golden Rainbow	Conservative Allocation	GLRBX	1.53%	1.60%	5.42%	5.57%	0.97
T. Rowe Price Capital Appreciation	Moderate Allocation	PACLX	10.72%	9.10%	12.12%	8.26%	1.00
Ivy Asset Strategy	World Allocation	WASAX	10.55%	-2.90%	4.06%	4.37%	1.12
Vanguard 500 Index	Large Blend	VFIND	11.82%	9.39%	14.17%	7.49%	0.14
American Funds Growth Fund of America	Large Growth	GFAFX	16.04%	10.05%	15.37%	7.62%	0.71
Vanguard Mid Cap Index	Mid-Cap Blend	VIMSX	10.30%	7.61%	14.20%	7.87%	0.18
JPMorgan Market Expansion Enh Idx	Mid-Cap Blend	OMEAX	3.51%	8.26%	14.17%	8.16%	0.98
Neuberger Berman Mid Cap Growth	Mid-Cap Growth	NMGAX	13.95%	7.82%	11.64%	6.97%	1.12
Vanguard Small Cap Index	Small Blend	NAESX	5.84%	6.77%	13.42%	8.20%	0.18
Vanguard Small Cap Growth Index	Small Growth	VISGX	10.97%	6.27%	12.36%	8.20%	0.19
Northern Small Cap Value	Small Value	NOSGX	-1.87%	7.53%	13.04%	7.69%	1.14
Vanguard Total International Stock Index	Foreign Large Blend	VGTSX	14.72%	1.28%	7.60%	1.13%	0.18
American Funds Europacific Growth	Foreign Large Growth	AEGFX	23.67%	5.59%	9.57%	3.78%	0.87
Fidelity Advisor Diversified International	International	FDVAX	19.76%	4.90%	9.90%	2.15%	1.23
Vanguard Emerging Market Stock Index	Diversified Emerging Markets	VEIEX	24.43%	1.57%	4.66%	1.93%	0.32
Vanguard Total World Stock Index	World Stock	VTWSX	15.08%	5.88%	10.82%	N/A	0.21
Nuveen Real Estate Securities	Real Estate	FREAX	3.47%	6.98%	8.71%	6.86%	1.30
Templeton Global Bond	World Bond	TPINX	2.72%	0.62%	2.87%	6.39%	0.99
Vanguard Intermediate Term Bond Index	Intermediate-Term Bond	VBILX	4.59%	3.09%	2.48%	5.51%	0.15
PIMCO Total Return	Intermediate-Term Bond	PTRAX	5.12%	2.73%	2.41%	5.59%	0.76
Vanguard Total Bond Market Index	Core Bond	VBMFX	3.62%	2.45%	1.99%	4.24%	0.15

Not FDIC Insured – No Bank Guarantee – May Lose Value – See TASC Online Account for Current Rates and Investment Options

*This bank acts solely as custodian with any mutual funds being offered and sold through a registered broker-dealer by prospectus only. Past performance of investments is no indication or assurance of future performance. As with all investments, mutual funds involve risk. The investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Read the prospectus carefully before you invest. Some funds have a redemption fee under certain circumstances.



HOW TO ENROLL - RETIREES

HEALTH SAVINGS ACCOUNT



Annual It's Your Choice Open Enrollment Period: October 2 – October 27, 2017
2018 Benefit Period: January 1 – December 31, 2018

Enroll During It's Your Choice

A Health Savings Account (HSA) is an individually-owned savings account that you **must** enroll in if you are enrolled in one of the It's Your Choice High-Deductible Health Plans (HDHP). To enroll:

- You have **two ways** to enroll during the It's Your Choice Open Enrollment Period:
 - Paper
 - Online
- You can request a paper application from ETF, or download a copy from the TASC website (<https://partners.tasconline.com/ETFEmployee>).
- Your election will be effective January 1, 2018.
- **Note:** If you are already enrolled in a Health Savings Account (HSA), you **must** re-enroll each year to continue participation.
 - Enrollments do not carry forward from year to year.

New Participants

Note: New participants are unable to enroll online through TASC. All **new** participants **must** complete and submit a paper enrollment form. To enroll in an HSA, new participants should:

- Complete the Retiree HSA Enrollment Form.
- Submit the completed Retiree HSA Enrollment Form to ETF via:
 - Email: ETFSMBESSRetireeHealthInsurance@etf.wi.gov
 - Fax: 1-608-261-8177 or 1-608-226-5535
 - Mail: PO Box 7931, Madison, WI 53707-7931

Current Participants

To re-enroll in an HSA, current participants should:

- Re-enroll with TASC Online, or
- Complete and submit the Retiree HSA Enrollment Form.

Enrollment Eligibility

To enroll in an HSA, you must be enrolled in one of the It's Your Choice High-Deductible Health Plans. In addition:

- You must be under the age of 65.
- You cannot have any other health coverage that pays for out-of-pocket health care expenses before you meet your plan deductible, including Medicare A and B.
- You cannot be covered by TRICARE, or have accessed your Veterans Administration (VA) benefits in the past 90 days (to contribute to an HSA). Exceptions may apply. See HSA Participant Guide for more details.
- You cannot be claimed as a dependent on another person's tax return (unless it is your spouse).
- You (and your spouse) cannot have a Health Care Flexible Spending Account in the same year.
- **Note:** You must notify ETF of any other medical coverage, including Medicare, when enrolling in, and at any point while enrolled in, the HDHP and HSA.

Following Enrollment

Once you have enrolled in the HSA, TASC will send these items to you:

HSA Welcome Brochure

- The HSA Welcome Brochure will provide you with information on how to manage your HSA.
- Follow the instructions to set-up your TASC Online account.
- Use your online account to check your balance, make additional contributions, transfer funds to an investment account, or request a distribution.

TASC Card

- Your TASC Card allows you to conveniently pay for eligible medical expenses.
- Be sure to review the Cardholder Agreement affixed to the card.
- **Note:** If you are a current TASC participant, you will **not** be issued a new TASC Card. You will continue to use your current TASC Card.



Re-Enroll with TASC Online (Current TASC Participants Only)

1. Determine desired annual contribution amount.
 - a. See page 11 of this HSA Enrollment Brochure for HSA Annual Expense Estimate Worksheet.
2. Go to the **TASC Online** website:
<http://partners.tasconline.com/ETFEmployee>
 - a. If you are a **new TASC Participant**, enter a temporary TASC username. This is your first initial, last name, date of birth (mmddyy), and the last four digits of your Social Security Number (SSN).
 - For example: JSmith0101771234
 - b. If you are a **current TASC participant**, enter your current TASC username and password.
 - If you do not remember your username or password, click **Forgot Username or Password** and follow the reset steps provided.
3. Once **logged in** to your TASC Online Account, click **Enroll Now**.
4. In the **Enrollment** pop-up menu, select the **radial button** which correlates to the plan type in which you wish to enroll – HSA or ERA.
 - a. To enroll in the HSA, select the first radial button.
 - b. **Note:** There are only two radial button options. All five ERA program offerings correlate to the second radial button.
 - c. If you are planning to enroll in an ERA program, you will need to repeat the enrollment process from this screen forward.
 - d. Click **Continue**.
5. Review plan details and HSA qualifications to ensure you are eligible for the HSA.
 - a. Click **Next**
6. Click read and agree to the Custodial Agreement and Disclosure Statement, Electronic Disclosure, and Important Information on Patriot Act Requirements. You must view and agree to all three agreements.
 - a. Click the check box to acknowledge you have read and agreed to each agreement.
 - b. Click **Next**.
7. Enter your **information**.
 - a. You will be required to enter your SSN.
 - b. We recommend adding your personal email address.
 - c. Click **Next**.
8. If applicable, add your **dependent(s)**.
 - a. Enter all required dependent demographic information.
 - b. Click **Add Dependent**.
 - c. Your dependent(s) will be displayed on the My Dependents list.
 - d. Click **Next**.
9. **Review** the Health Savings Account Qualification information and ensure that you qualify for the HSA.
 - a. If you qualify, click the checkbox to certify that you meet the qualifications to open an HSA.
 - b. If you do not qualify, click **Cancel**.
10. Under Qualifying Health Plan Coverage, **choose** your High Deductible Health Plan Coverage Level from the drop-down menu – Individual or Family.
 - a. **Note:** The coverage level of your HDHP will determine the maximum allowable contribution to your HSA.
 - b. Click **Next**.
11. Enter your desired **deduction** per pay period.
 - a. Click **Calculate Totals** to display your total annual election and employer contributions.
 - b. **Note:** Contributions from all sources combined, such as employee, employer, and third parties (i.e., parent or spouse), must **not** exceed the annual IRS limit.
 - c. Click **Next**.
12. Select your reimbursement **Payment Method**.
 - a. You will automatically be enrolled to receive a TASC Card (aka Benny Debit Card).
 - b. Select your preferred method to receive reimbursements for claims filed online.
 - c. If you elect direct deposit, you will need to enter your bank information.
 - d. Click **Next**.
13. Add your **beneficiaries**.
 - a. Select your desired beneficiaries from your list of dependents to prefill their information.
 - b. Click **Add Beneficiary**.
 - c. When you are ready to proceed, click **Next**.
14. **Verify, submit and print**.
 - a. Carefully review each section on the **Enrollment Verification** page and verify that your enrollment information is correct.
 - b. If any changes are required, click **Edit Information**.
 - c. When you have verified that everything is correct, **print** a copy of the Enrollment Verification page for your records.
 - d. Click **Submit** to complete your enrollment.
15. Check your **email** for an enrollment confirmation message from TASC.



Enroll by Telephone

- Contact TASC Customer Care at 1-844-786-3947 or 608-316-2408.
- One of TASC's friendly and knowledgeable Customer Service Representatives will assist you.
- TASC Customer Care is open Monday through Friday, 8:00 a.m. to 5:00 p.m.

Enroll by Paper

- Request a paper application from your human resources/benefit office, or download a copy from the ETF or TASC website.
- Submit a completed TASC HSA Enrollment Form to your human resources/benefit office.

Identification Verification Failure Notification

Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an HSA. This process will occur automatically upon your enrollment. If your identity cannot be verified, you will be notified of the identity verification failure via secure email. The email notification will provide required actions to resolve the matter. If you receive this notification, please provide the requested information within 30 days (via email or fax). If you do not respond within 90 days, your HSA will be deactivated. To be eligible for a It's Your Choice (IYC) High-Deductible Health Plan (HDHP), you must be enrolled in an HSA. If your HSA is deactivated, you will no longer be eligible for an IYC HDHP.

Managing Your Account



The greater control and tax benefits provided by your HSA includes the additional responsibility to track, manage, and monitor your health care and related expenses. Taking these few important steps can help you make the most of your HSA, today and for years to come.

Your Responsibilities

- Maintain qualified IYC HDHP enrollment along with your HSA.
- Notify your human resource/benefits office of any other health care coverage when enrolling in, and at any point while enrolled in, the IYC HDHP and HSA.
- Regularly review your TASC Online account.
- Monitor your contributions and ensure you do not exceed the maximum annual limit.
- Keep all your receipts and pertinent documentation, including fax confirmation sheets, to verify that your HSA funds were used on eligible health care expenses.
- Submit requests for distribution during the same plan year in which the expense was incurred.
- You can only be reimbursed for eligible expenses incurred after your HSA was established.
- Watch for your annual tax forms.
- Update your contact information as necessary.
- Adhere to the plan rules for expense reimbursements:
 - Only use HSA funds for eligible health care expenses.
 - Only use HSA funds for eligible dependents.
 - Only submit claims for expenses incurred after you established your HSA.
 - Do not submit HSA expenses under any other benefit plan or submit claims as part of an income tax deduction.

Helpful Hints

- **Re-Enrollment** – You must re-enroll each year to continue participation. Elections do **not** carry forward from year to year.
- **Carryover** – All unused HSA funds carryover year-to-year without forfeiture.
- **Requests for Distribution** – File requests for distribution in a timely manner.
 - Do not resubmit a request.
 - If you have not received an expected distribution, please check your TASC Online account.
- **Monitor Your Account** – Regularly check your TASC Online account. Keep your personal and beneficiary information up to date.

Tax Information

- HealthCareBank will provide you with the following informational tax statements:
 - Form 1099 SA - Received by January 31.
 - Form 5498 SA - Received by May 31.
- Year-end tax forms are only available online. You will not be sent a hard copy. You will receive an email notification when Forms 1099 SA and 5498 SA are available to view.

Reminder: You must notify ETF of any other health care coverage when enrolling in, and at any point while enrolled in, the HDHP and HSA.

HEALTH SAVINGS ACCOUNT ANNUAL EXPENSE ESTIMATE WORKSHEET

	Actual Expenses Last Year	Estimated Expenses New Year
High-Deductible Health Plan		
<i>Expenses toward plan deductible</i>		
Prescriptions	\$ _____	\$ _____
Physician visits	\$ _____	\$ _____
Hospital	\$ _____	\$ _____
Laboratory/testing	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Miscellaneous Health Expenses <u>Not</u> Covered by Insurance		
Over-the-counter medication	\$ _____	\$ _____
Other: _____	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Dental Expenses		
Dental visits	\$ _____	\$ _____
Fillings	\$ _____	\$ _____
Major work (root canals, crowns, dentures, etc.)	\$ _____	\$ _____
Orthodontia (braces)	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Vision Expenses		
Eye examination	\$ _____	\$ _____
Eyeglasses	\$ _____	\$ _____
Contact lenses and solution	\$ _____	\$ _____
LASIK surgery	\$ _____	\$ _____
Other: _____	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Hearing Expenses		
Hearing examination	\$ _____	\$ _____
Hearing aid	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Miscellaneous Dental, Vision, and Hearing Expenses <u>Not</u> Covered by Insurance		
Over-the-counter medication	\$ _____	\$ _____
Other: _____	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Additional Contribution to Maximize Annual Savings		
	\$ _____	\$ _____
Total Annual Amounts*:	\$ _____	\$ _____

*Cannot exceed IRS annual maximum individual HSA contribution limit of \$3,450 or family HSA contribution limit of \$6,850.



TASC TOOLS



TASC CARD

TASC Online Account

TASC Benefits Mobile App

- Access your Health Savings Account (HSA) funds wherever you are – just swipe to pay for eligible HSA medical expenses.
- Eliminates the need to complete paper requests for distribution.
- Automatic verification of most eligible expenses.
- Instant access to your account information and account balance 24/7.
- Easy access to your contribution and distribution histories.
- Access helpful online tools, like tax savings calculators, health care expense tables, and more.
- Self-service feature available, such as signing up for direct deposit, ordering additional TASC cards, reviewing your investment rates and options, and managing your notifications.
- Access your account information and account balance – no matter where you are!
- Submit contribution and distribution requests by taking pictures of your receipts with your mobile device camera.
- Download the TASC Mobile App is available for Apple and Android phones – just search for “eflex Benefits” in the iOS App Store or Android Marketplace.



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email 1customer@tasconline.com

Discrimination is Against the Law 45 C.F.R. § 92.8(b)(1) & (d)(1)
Total Administrative Services Corporation complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. TASC does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

TASC provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats.

TASC provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact TASC's Civil Rights Coordinator.

If you believe that TASC has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Civil Rights Coordinator, 2302 International Way, Madison, WI 53704; Phone: 1-808-316-2408; Fax: 1-877-231-1287; Email: CivilRightsCoordinator@tasconline.com.

You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, TASC's Civil Rights Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-888-1019, 800-537-7697 (TDD).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-808-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

注意: 如果您使用繁體中文，您可以免費獲得語音輔助服務。請致電 1-877-533-5020 (TTY: 1-800-947-3529)。

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-877-533-5020 (TTY: 1-800-947-3529).

رقم (1-800-947-3529) ملوطة: يا كت، حت لاكر اللغة، نين خدمات المساعدة (الترجمة)؛ هاتف الصم والبكم: 1-3529-947-800.

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-877-533-5020 (телефакс: 1-800-947-3529).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-877-533-5020 (TTY: 1-800-947-3529). 번으로 전화해 주십시오.

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-877-533-5020 (TTY: 1-800-947-3529).

Wann du (Deutsch (Pennsylvania German / Dutch)) schwetzscht, kantscht du mitaus Koschte ebber gricke, ass dihr helft mit die englisch Schprooch. Ruf selli Nummer uff: Call 1-877-533-5020 (TTY: 1-800-947-3529).

ໄປດຊາວ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໄດ້ຮັບຮັບຮູ້, ຕະຫມົດພ້ອມໄວ້ທ່ານ. ໂທ 1-877-533-5020 (TTY: 1-800-947-3529).

ATTENTION: Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-877-533-5020 (ATS: 1-800-947-3529).

UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 1-877-533-5020 (TTY: 1-800-947-3529).

व्यान दे: यदि आप हिंदी बोलते हैं तो आपके लिए मुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 1-877-533-5020 (TTY: 1-800-947-3529) पर कॉल करें।

KUJDES: Nëse flltri shqip, për ju ka në dispozicion shërbime të asistencës gjuhësore, papagëse. Telefononi në 1-877-533-5020 (TTY: 1-800-947-3529).

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-877-533-5020 (TTY: 1-800-947-3529).

After enrollment, don't forget to:

- Set-up your TASC Online Account.
- Check your email for a link to the HSA Welcome Brochure.
- Check your mail for your TASC Card and Cardholder Agreement.



**It's Your Choice
Open Enrollment Period**

October 2 – 27, 2017



State of WI Employee Enrollment Form

Items Included:

- Enrollment Form (p. 1)
- Privacy Policy (pp. 2-3)
- Terms, Conditions, and Signature – *optional checkbox and signature*
- Custodial Agreement and Disclosure Statement (pp. 6-17)
- Designation of Representative by Accountholder (pp. 17-20)

EMPLOYEE/PARTICIPANT INFORMATION

Last Name: _____ First Name: _____ Middle Initial: _____
Employee ID# (if known): _____ Social Security Number: _____
Date of Birth (mm/dd/yyyy): _____ Mother Maiden Name: _____
Gender: ☐ Female ☐ Male Marital Status: ☐ Single ☐ Married
Daytime Phone Number: _____ Email Address: _____
Home Address (street): _____
City: _____ State: _____ Zip Code: _____

Employer Name (select one): <input type="checkbox"/> Central <input type="checkbox"/> Courts <input type="checkbox"/> Legislature <input type="checkbox"/> UW Hospitals & Clinics <input type="checkbox"/> UW <input type="checkbox"/> WEDC <input type="checkbox"/> WHEDA <input type="checkbox"/> Wiscraft Beyond Vision	Date of Hire:	
	Hours Worked per Week:	
	Payroll Frequency:	
	First Payroll Date:	
	Participant Plan Effective Date:	

ANNUAL ELECTIONS

- ☐ I am enrolling in an HSA through my employer. I authorize my employer to deduct my HSA contributions from my pay and forward them to my HSA. (Please complete the section below.)

Note: Your employer may also make a contribution to your HSA that will apply to your maximum contribution allowed. You are solely responsible for determining whether contributions to an HSA exceed the maximum annual contribution limitation. You are also responsible for notifying the custodian of any excess contribution and requesting a withdrawal of the excess contribution together with any net income attributable to the excess contribution.

Indicate an annual employee election OR a pay period election.

Employee Annual Contribution	OR	Per Pay Period Contribution
\$ _____		\$ _____
Indicate HDHP Coverage Level: <input type="checkbox"/> Self-Only <input type="checkbox"/> Family/Other	Are you enrolled in an HDHP through your employer? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Your contributions will be withdrawn from your pay in each pay period. If your employer maintains a Cafeteria Plan that permits HSA contributions, your contributions will be made with pre-tax dollars. You may also make contributions outside of your employment. If you would like to make a contribution immediately, please complete an *HSA Contribution Form* and submit that form with your payment.

Please Note: An optional check box appears on Page 6 and a signature is required on Page 3 & 7.

For enrollment assistance or questions: call toll-free 1-844-786-3947



I elect to participate and agree to be bound by the terms of the Plan.

I understand that:

- Health Savings Account (HSA) program is a benefit established for eligible state employees enrolled in one of the It's Your Choice High Deductible Health Plans. The HSA program is authorized under Internal Revenue Code Sections §125, §105, and §223 and Wisconsin Statutes §40.85-§40.875.
- A new enrollment must be completed each plan year. If I do not complete enrollment during Open Enrollment, I forfeit the opportunity to participate in the Health Savings Account benefit option.
- The contribution(s) I have elected will be made with pre-tax salary reductions and that such reductions reduce my compensation for Social Security benefit purposes.
- According to Wisconsin Statutes §40.87, participation in a Health Savings Account will not reduce my wages for calculating state retirement benefits. Also, my contributions in a Health Savings Account will not reduce my gross income for the purpose of calculating any other state benefits such as sick leave conversion credits, income continuation insurance, life insurance, deferred compensation, unemployment, or worker's compensation.
- Salary contributed into one account cannot be transferred and used for expenses in any other account.
- Contributing in a Health Savings Account is completely voluntary, and that payments from my Health Savings Account are independently reviewed for compliance with IRS regulations.
- Generally, contributions to the HSA account are made on a month-to-month rule basis depending on what coverage I am enrolled in under the It's Your Choice High Deductible Health Plan on the first day of the month. For each month that I am enrolled in individual coverage a total of \$283.33 a month can be contributed. For each month that I am enrolled in family coverage a total of \$562.50 a month can be contributed. If I change enrollment in the It's Your Choice High Deductible Health Plan during the plan year, I can change my contributions based on the month-to-month rule. For example, I am enrolled in individual coverage for 6 months of the year and for the other 6 months I have family coverage. My total contributions are: $(6 \times \$283.33) + (6 \times \$562.50)$ or $\$1700 + \$3375 = \$5075.00$.
- There is a limited exception to the month-to-month rule described above. This exception allows me to make the maximum annual contribution for the plan year based on my enrollment in the It's Your Choice High Deductible Health Plan on December 1st. Using the same 6 month example above, assume I change from individual to family coverage during the second half of the year. Under the month-to-month rule, I am limited to a maximum contribution of \$5075.00. Since I was enrolled in family coverage on December 1st, I can use the limited exception and can contribute the full family contribution amount of \$6750.00. **IMPORTANT NOTE:** In order to use this limited exception, I have to stay enrolled in the It's Your Choice High Deductible Health Plan at the same or higher level of coverage for the entire next plan year, called the 'testing period'. If I do not maintain this coverage, for instance I terminate employment or switch to a Non-High Deductible Health Plan the next plan year, then the excess funds contributed will be subject to a 10% excise tax.
- My eligible expenses must qualify as a medical deduction under Internal Revenue Service Publication 502.

I certify that:

- I am covered by one of the qualified It's Your Choice High Deductible Health Plan (HDHP), and that I am not covered by any other health insurance coverage. I certify that I have received a copy of the Application and Custodial Agreement and Disclosure Statement and amendments thereto. I assume sole responsibility for all consequences found in the Application and Custodial Agreement and Disclosure Statement. I understand that I may revoke the HSA on or before seven (7) days after the date of establishment. I have not received any tax or legal advice from the custodian, and I will seek the advice of my own tax or legal professional to ensure my compliance with related laws. I release and agree to hold the HSA custodian harmless against any and all claims or losses arising from my actions.
- I agree to have my compensation reduced by the contribution amount(s) I elected.
- That the information I have provided is complete and accurate to the best of my knowledge.
- I have reviewed and understand the benefits program eligibility and enrollment information and I agree to abide by all participation requirements.



Health Savings Account (HSA)

- That all dependents listed meet the eligibility requirements of the program.
- I shall not claim a federal income tax deduction or credit for any expenses that were reimbursed through my Health Savings Account.
- I will inform my human resource benefit office as soon as reasonably possible when I am no longer eligible to contribute to the HSA Account, for instance if I obtain other non-permitted coverage such as coverage under my spouse's plan, and I understand any contributions made for any month in which I am not an eligible individual will be subject to an excise tax, and that my Employer will deduct any contributions it made for such an ineligible month from my account.
- That my use of the Card will comply with the terms and conditions of the cardholder agreement received with the card.
- That all expenses charged on the Card will qualify as reimbursable per IRS rules, will be incurred only for me or my eligible dependents, and will not be reimbursed through any other means, including my or my dependent's insurance Plans.
- I will keep all receipts and other documentation related to expenses charged on the Card. Upon request, within forty-five (45) days, I will fax, mail, or upload the required documentation of expenses to the Third Party Administrator.
- I understand additional Cards issued to my spouse or dependent(s) will provide the named individual with access to my Health Savings Account. I accept all responsibility for Card transactions incurred by the named individual and will submit supporting documentation, as requested, for those transactions.
- I acknowledge and agree that use of the Card in violation of this enrollment agreement or the Cardholder agreement may result in the invalidation and forfeiture of the Card.

Signature _____ **Date** _____



Privacy Policy

Page 1

By executing this form, you acknowledge receipt of the Privacy Policy. You agree to receive future notices of any updates to the Privacy Policy at www.healthcarebank.com, and to review the Privacy Policy no less frequently than annually. See Privacy Policy below.

FACTS	WHAT DOES HEALTHCARE BANK, A DIVISION OF BELL STATE BANK & TRUST, DO WITH YOUR PERSONAL INFORMATION?	Rev. Sept 2013
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, shares, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: -Social Security number and account balances -Payment history and transaction history -Account transactions and checking account information When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Healthcare Bank, a division of Bell State Bank & Trust, chooses to share; and whether you can limit this sharing.	

Reasons we can share your personal information	Does Healthcare Bank, a division of Bell State Bank & Trust, share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For non-affiliates to market to you	No	We don't share

Questions?	Call toll free 1-866-442-2472 option 1 or go to www.healthcarebank.com
------------	--



Privacy Policy

Page 2

Who we are	
Who is providing this notice?	Healthcare Bank, a division of Bell State Bank & Trust
What we do	
How does Healthcare Bank, a division of Bell State Bank & Trust, protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>We also maintain other physical, electronic and procedural safeguards to protect this information and we limit access to information to those employees for whom access is appropriate.</p>
How does Healthcare Bank, a division of Bell State Bank & Trust, collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none">-open an account or apply for a loan-make deposits or withdrawals from your account-use your credit or debit card-seek advice about your investments <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none">-sharing for affiliates' everyday business purposes – information about your creditworthiness-affiliates from using your information to market to you-sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none">-Our affiliates include financial companies such as State Bankshares, Inc. and nonfinancial companies, such as Discovery Benefits, Inc.
Non-Affiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none">-Healthcare Bank, a division of Bell State Bank & Trust, does not share with non-affiliates so they can market to you.
Joint Marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none">-Healthcare Bank, a division of Bell State Bank & Trust, doesn't jointly market.



Terms, Conditions, and Signature

Page 1

Important Information Regarding Patriot Act Requirements

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each individual who opens an account. What this means for you, when you open an account, you are required to provide your name, residential address, date of birth, and identification number. As part of the ongoing maintenance of your account we may require other information or documentation that allows us to identify you. You understand that your HSA may be closed if additional verification is not possible. Upon such closure, funds deposited in your HSA will be returned to you, less any fees or expenses chargeable against your HSA, or penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your HSA account. As custodian, Healthcare Bank, a division of Bell State Bank & Trust shall not be liable for any tax consequences or tax withholdings you may incur as a result of the transfer or distribution of your assets.

Important Information about Electronic Payments

I authorize electronic debit and credit entries, if applicable, to my designated checking or savings account. I also authorize adjustments to these accounts for error corrections. This authorization will remain in effect until the termination of your HSA.

Important Information about your Account

The maximum balance allowed in my Cash Account is based on the designated threshold established by my TPA or me.

Important Information Regarding Death Beneficiary Information

If neither primary nor contingent is indicated, the individual or entity will be deemed to be a primary death beneficiary. If any primary or contingent death beneficiary dies before me, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining death beneficiary(ies) shall be increased on a pro rata basis. If more than one primary death beneficiary is designated and no distribution percentages are indicated, the death beneficiaries will be deemed to own equal share percentages in the HSA. Multiple contingent death beneficiaries with no share percentage indicated will also be deemed to share equally. If no primary death beneficiary(ies) survives me, the contingent death beneficiary(ies) shall acquire the designated share of my HSA.

I understand that if I designate my spouse as primary death beneficiary or contingent death beneficiary of the HSA, the dissolution, termination, annulment or other legal termination of my marriage will automatically revoke such designation.

Important Information Regarding My Account Summary

I understand that account summaries are made available electronically and may be viewed at any time by logging into my account at eflexgroup.com. The Healthcare Bank Privacy policy is available online at www.healthcarebank.com. For an additional fee, the HSA Administrator that I identify as my Designated Representative may send paper account summaries and paper copies of the Healthcare Bank Privacy Policy to my address by U.S. mail. I will check the box below if I also wish to receive paper account summaries and paper copies of the Healthcare Bank Privacy Policy by U.S. Mail.

- ☐ I wish to receive paper account summaries and paper copies of the Healthcare Bank Privacy Policy by U.S. Mail. By electing this option I acknowledge that an additional fee may apply. The amount of the fee and frequency of the paper account summaries and paper copies of the Healthcare Bank Privacy Policy are set forth on the attached fee schedule. Paper account summaries are limited to current balances, contributions and distributions.

Important Information Regarding My HSA Investment Account

I understand that once I have accumulated the designated threshold in cash in my HSA as set forth by my TPA or myself in the Application, the balance of my account above the designated threshold will automatically be invested in an interest-bearing, FDIC-insured account. For purposes of this enrollment form, "Application" shall mean the 1Cloud by Evolution1® system available through a link provided by my TPA which provides me access to my HSA account information, Investment Account and is used to process my HSA transactions. I may also choose to change my allocation choices and select from the TPA's list of mutual funds for the investment of HSA assets in excess of the designated threshold. The HSA Investment Account is exclusively available online at eflexgroup.com. An email address must be included in enrollment or it will not be available. All investment transactions in the HSA Investment Account will be initiated and conducted electronically. All required disclosures of investment information and trade confirmations will be made electronically, and by opening an HSA Investment Account I consent to the electronic delivery/access of all documents of any issuer whose securities are made available to my HSA, including issuers and securities made available after the date my account is opened.

Important Information Regarding Substitute W-9 Certification

Under penalties of perjury, I certify that: (1) the Social Security Number shown on this form is my correct taxpayer identification number and, (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. citizen (including a U.S. resident alien).



Terms, Conditions, and Signature

Page 2

Important Information Regarding Fees

Any applicable fees shall be deducted from my account. Fees payable in connection with my HSA are set forth on the attached fee schedule.

Important Information Regarding Custodial and Investment Information

I have read and understand the HSA Custodial Agreement and Disclosure Statement and agree to be bound by those terms and conditions. I understand the eligibility requirements for this HSA and I state that I am responsible for determining whether I qualify to make deposits to this HSA. I am responsible for:

- a) determining that I am eligible to make contributions to an HSA for each year I make a contribution;
- b) ensuring that all contributions are within the maximum limitations set forth by the tax laws, taking into account my coverage under a high deductible health plan;
- c) the tax consequences of any contributions (including rollover contributions) or distributions; and
- d) seeking the assistance of a qualified tax or legal professional to address any questions or concerns I may have about eligibility, contribution limitations, or the taxation of contributions or distributions from my HSA.

If I choose to select an investment allocation from the TPA's list of mutual funds, I will be solely responsible for direction of the investment of my HSA. I represent that I will carefully review investment information prior to making investment decisions and that I will seek assistance of a financial professional if I have questions about available investment options or how to select investments for my HSA.

I authorize Healthcare Bank, a division of Bell State Bank & Trust, and its agents to initiate permitted transfers, including contributions, to my HSA, as directed by me or my Designated Representative through the electronic account service features or as otherwise permitted under this HSA. Any such direction shall remain in effect until Healthcare Bank and its agents receive notice of a change to such directions via the electronic account service features or as otherwise permitted under this HSA.

I certify that the information provided by me on this Enrollment Form is accurate, and that I have received a copy of the HSA Custodial Agreement and Disclosure Statement and amendments thereto. I also acknowledge receipt of the Healthcare Bank Privacy Policy. I assume sole responsibility for all consequences found in the Enrollment Form and Custodial Agreement and Disclosure Statement. I understand that I may revoke the HSA on or before the seventh day after the date of establishment. I have not received any tax or legal advice from Healthcare Bank, and I will seek the advice of my own tax or legal professional to ensure my compliance with related laws. I release and agree to hold the Healthcare Bank harmless against any and all claims or losses arising from my actions.

I hereby further agree to designate the TPA to serve as my Designated Representative with respect to my HSA account. By signing below I agree to be bound by the terms and conditions of the separate agreement entitled Designation of Representative by HSA Client and by my signature each party respectively acknowledges his or her understanding and agreement with such terms and conditions.

Signature of HSA Accountholder

Date

Michael S. Solberg

Authorized Signature of Healthcare Bank as Custodian



Custodial Agreement and Disclosure Statement

The Accountholder is establishing this Health Savings Account ("HSA") exclusively for the purpose of paying or reimbursing qualified medical expenses of the Accountholder, his or her spouse, and dependents. The Accountholder represents that, unless this account is used solely to make rollover contributions, he or she is eligible to contribute to this HSA; specifically, that he or she (i) is covered under a high deductible health plan (HDHP), (ii) is not also covered by any other health plan that is not an HDHP (with certain exceptions for plans providing preventive care and limited types of permitted insurance and permitted coverage), (iii) is not enrolled in Medicare, and (iv) cannot be claimed as a dependent on another person's tax return. Healthcare Bank, a division of Bell State Bank & Trust is the "Custodian" under this agreement and the Third Party Administrator ("TPA") is the "Designated Representative" and "HSA Administrator."

The Accountholder and the Custodian make the following agreement:

Article I.

The Custodian will accept cash contributions for the tax year made by the Accountholder or on behalf of the Accountholder (by an employer, family member or any other person). No contributions will be accepted by the Custodian for any Accountholder that exceeds the maximum amount for family coverage plus the catch-up contribution (for individuals who attain age fifty-five (55) before the close of the tax year).

Contributions for any tax year may be made at any time before the deadline for filing the Accountholder's federal income tax return for that year (without extensions).

Rollover or transfer contributions from an HSA, Individual Retirement Account, or an Archer Medical Savings account (Archer MSA) are permitted subject to applicable rules.

Article II.

Contributions to the Accountholder's HSA are subject to a maximum annual limit, based on whether the Accountholder has elected single or family coverage under the HDHP. For calendar year 2016, the maximum annual contribution limit for an Accountholder with single coverage is \$3,400. For calendar year 2016, the maximum annual contribution limit for an Accountholder with family coverage is \$6,750. These limits are subject to cost-of-living adjustments after 2017. Eligibility and contribution limits are determined on a month-to-month basis.

Contributions to Archer MSAs or other HSAs count toward the maximum annual contribution limit to this HSA.

An additional \$1,000 catch-up contribution may be made for an Accountholder who is at least age fifty-five (55) or older and not enrolled in Medicare.

Contributions in excess of the maximum annual contribution limit are subject to an excise tax. However, the catch-up contributions are not subject to an excise tax.

Article III.

It is the responsibility of the Accountholder to determine whether contributions to this HSA have exceeded the maximum annual contribution limit described in Article II. If contributions to this HSA or any combination of your HSAs exceed the maximum annual contribution limit, the Accountholder shall remove the excess contributions. It is the responsibility of the Accountholder to timely request the withdrawal of the excess contribution and any net income attributable to such excess contribution. Regardless of which year excess contributions were made, a withdrawal of excess contributions will be reported as having occurred in the tax year of such withdrawal.

Article IV.

The Accountholder's interest in the balance in this custodial account is nonforfeitable.

Article V.

No part of the custodial funds in this account may be invested in life insurance contracts or in collectibles as defined in Section 408(m) of the Internal Revenue Code (the "Code").

The assets of this account may not be commingled with other property, except in a common trust fund or common investment fund.

Neither the Accountholder nor the Custodian will engage in any prohibited transaction with respect to this account (such as borrowing or pledging the account or engaging in any other prohibited transaction as defined in the Code Section 4975).



Article VI.

Debit Card payments and distributions of funds from this HSA may be made upon the direction of the Accountholder.

Distributions from this HSA that are used exclusively to pay or reimburse qualified medical expenses of the Accountholder, his or her spouse, or dependents are tax free. However, distributions that are not used for qualified medical expenses are included in the Accountholder's gross income and are subject to an additional twenty percent (20%) tax on that amount. The additional twenty percent (20%) tax does not apply if the distribution is made after the Accountholder's death, disability, or reaching age sixty-five (65).

The Custodian is not required to determine whether the distribution is for the payment or reimbursement of qualified medical expenses. Only the Accountholder is responsible for substantiating that the distribution is for qualified medical expenses and must maintain records sufficient to show, if required, that the distribution is tax free.

Article VII.

If the Accountholder dies before the entire interest in the account is distributed, the entire account will be disposed of as follows:

1. If the beneficiary is the Accountholder's spouse, the HSA shall become the spouse's HSA as of the date of death.
2. If the beneficiary is not the Accountholder's spouse, the HSA shall cease to be an HSA as of the date of death. The fair market value of the account is taxable to the non-spouse primary beneficiary in the tax year that includes such date.
3. If the beneficiary is the Accountholder's estate or if there is no beneficiary, the fair market value of the account as of the date of death is taxable on the Accountholder's final personal income tax return.

Article VIII.

The Accountholder agrees to provide the Custodian with information necessary for the Custodian to prepare any reports or returns required by the IRS.

The Custodian agrees to prepare and submit any reports or returns as prescribed by the IRS.

Article IX.

Notwithstanding any other article that may be added or incorporated in this agreement, the provisions of Articles I through VIII and this sentence are controlling. Any additional article in this agreement that is inconsistent with the Code Section 223 will be void.

Article X.

This agreement will be amended from time to time to comply with the provisions of the Code or IRS published guidance. Other amendments may be made with the consent of the Accountholder. Your HSA is established with the Custodian on the date it is set up with the Custodian. If the initial account is established after the first of the month, the HSA is established the first of the following month. The Custodian makes no representation whether expenses incurred after the establishment date of an unfunded HSA may be reimbursed from contributions that are made on a later date.

Article XI

11.01 Definitions. In this part of the agreement, the words "you" and "your" shall mean Accountholder. The Accountholder is the person who establishes the custodian account. The words "we," "us" and "our" shall refer to the TPA and the Custodian.

11.02 Delegation of Responsibility. The Custodian has delegated responsibility for certain recordkeeping and administration to the TPA. The TPA shall receive and forward contributions to your HSA, and make distributions from your HSA. All of your questions, comments, and instructions should be directed to the TPA through its website or by other means made available to you through the TPA. You have appointed the TPA your Designated Representative to serve as HSA Administrator in the separate agreement titled "Designation of Representative by Accountholder."

When you provide instructions to the TPA regarding your HSA, the TPA will pass those instructions on to the Custodian, through the Application.

11.03 Notices and Change of Address. Any required notice regarding this HSA will be considered effective when sent to the intended recipient via e-mail or, at our discretion, via U.S. Mail to the last electronic or other mailing address maintained for you by the TPA in its records. Any notice to be given to the TPA or the Custodian will be considered effective when actually received. You or the intended recipient must notify the TPA if you change your e-mail address or other mailing address. In the event of your death, your spouse or account beneficiary must notify the TPA of any corresponding change in e-mail or other mailing address. Any notice you provide to the TPA or the Custodian will be considered effective when actually received.



11.04 Representations and Responsibilities. You represent and warrant that any information you provide us regarding your HSA with respect to this agreement is complete and accurate. Further, you agree that any directions you give the TPA or action you take will be proper under this agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we in good faith believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible in the event of any failure or interruption of services resulting from the act or omission of any third party service provider used to give such direction, and shall not be responsible for any losses. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your HSA. We have no duty to determine whether your contributions or distributions comply with the Code, Treasury Regulations, IRS Rulings or this agreement. We have the right to require you to provide, on a form provided by or acceptable to us, proof or certification that you are eligible to contribute to this HSA, including, but not limited to, proof or certification that you are covered by a HDHP. In no event shall we be responsible to determine if contributions made by your employer to your HSA meet the requirements for comparable contributions, the rules of which are set forth in the Code and IRS published guidance.

You acknowledge that establishment of your HSA is completely voluntary on your part and that, to the best of your knowledge, your employer does not (i) limit your ability to move funds to another HSA beyond restrictions imposed by the Code; (ii) impose conditions on utilization of HSA funds beyond those permitted under the Code; (iii) make or influence the investment decisions with respect to funds contributed to an HSA; (iv) represent that the HSA is an employee welfare benefit plan established or maintained by the employer; or (v) receive any payment or compensation in connection with the HSA.

We may permit you to appoint, through written notice acceptable to us, an authorized agent (in addition to your Designated Representative) to act on your behalf with respect to this agreement (e.g., attorney-in fact, executor, administrator, investment manager); however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. You will have thirty (30) days after you receive any documents, account information or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, account information or other information. If you do not notify us within thirty (30) days, the documents, account information or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, account information, other information or the transactions described therein.

By performing services under this agreement, we are acting as your agent. You acknowledge and agree that we are not providing services to you or your HSA as a fiduciary under the Employee Retirement Income Security Act of 1974 ("ERISA") Section 3(21), under any comparable and applicable provisions of state or local law, or under the Investment Advisor's Act of 1940, and nothing in this agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this agreement, or as required under the Code and the applicable guidance with respect to HSAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorneys' fees, arising from or in connection with this agreement. To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other forms permitted by law, including through electronic mediums.

11.05 Service Fees. The Custodian reserves the right to charge a periodic service fee or other designated fees (e.g., a transfer, rollover, investment management, or termination fee) for maintaining your HSA. In addition, the Custodian has the right to be reimbursed for all reasonable expenses, including legal expenses, it incurs in connection with the administration of your HSA. The Custodian has the right to charge a \$75.00 per hour fee when it is required to pull documentation on your behalf. The Custodian may charge you separately for any fees or expenses, or may deduct the amount of the fees or expenses from the assets in your HSA at its discretion. The Custodian reserves the right to charge any additional fee upon thirty (30) days' notice to you that the fee will be effective.

The TPA may charge a separate fee for administration and other services related to your HSA. You authorize the TPA to charge you separately for those fees, or to deduct the amount of the fees or expenses from the assets in your HSA. Your employer may also agree to pay these fees on your behalf. The amount of fees payable may be set forth in a separate fee schedule which may be part of your application.

To the extent that you direct investment of your HSA in mutual funds pursuant to Section 11.07, balances invested in those mutual funds are subject to investment fees and other charges and expenses as described by the applicable prospectuses. Any brokerage commissions attributable to the assets in your HSA will be charged to your HSA. You cannot reimburse your HSA for those commissions.



11.06 Definitions and How your HSA Operates.

1. "Application" shall mean the 1Cloud by Evolution1® system available through a link provided by your TPA which provides you access to your HSA account information, Investment Account and is used to process your HSA transactions.
2. "BIN Sponsor" shall mean the entity which initiates Debit Card settlement from the Distribution Account.
3. "Cash Account" shall mean an account, or accounts held for the benefit of the Accountholder into which HSA dollars are swept from the Contribution Account and held until swept into the Investment Account or Distribution Account. The Cash Account balance is utilized for authorizing distribution requests and purchases with a debit card.

Your HSA funds in the Cash Account will be separately accounted for, credited to your HSA balance, and insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000, or the maximum limit allowable by law pursuant to FDIC insurance coverage rules. If you currently have deposit accounts held at the Custodian, FDIC insurance will cover the total of your accounts up to \$250,000. For information about FDIC insurance coverage, see the "Your Insured Deposits" information at FDIC's website: <http://www.fdic.gov/deposit/deposits/insured/>. Funds invested in the Cash Account are used by the Custodian in its general banking business, which may generate income to the Custodian; such income is considered part of the fees for the Custodian's services.

1. "Cash Account Minimum Threshold" shall mean the amount in the Cash Account that triggers money movement from the Investment Account to the Cash Account.
2. "Cash Account to Investment Account Trigger" shall mean when the Cash Account balance exceeds the Investment Transfer Threshold by an amount equal to or more than the Minimum Auto-Sweep Amount, HSA dollars are auto-swept from the Cash Account to the Investment Account.
3. "Contribution Account" shall mean an account, or accounts, into which the Accountholder and employer contributions are deposited by the TPA, and from which HSA dollars are swept into the Cash Account.
4. "Debit Card" shall mean the card issued to the Accountholders to access funds in the Accountholder's HSA
5. "Default Portfolio" shall mean the standard offering of mutual funds, as chosen by the Custodian or as agreed upon by the Custodian and the TPA.
6. "Distribution Account" shall mean an account, or accounts, from which distributions, rollovers and transfers are made to the Accountholder, and into which HSA dollars are swept from the Cash Account.
7. "Investment Account" shall mean an account, or accounts, into which HSA dollars are swept from the Cash Account. Dollars swept into the Investment Account are initially invested in a FDIC-insured interest-bearing account on behalf of the Accountholder. The Accountholder has the ability to invest these dollars into a variety of investment funds.
8. "Investment Account to Cash Account Trigger" shall mean when the Cash Account balance falls below the Investment Transfer Threshold by an amount equal to or more than the Minimum Auto-Sweep Amount, investments are sold to bring the Cash Account back to the Investment Transfer Threshold. If it is necessary to liquidate one or more of your investments, the Custodian will follow the procedure in Section 11.17.
9. "Investment Transfer Threshold" shall mean the amount in the Cash Account that triggers money movement from the Cash Account to the Investment Account.
10. "Minimum Auto-Sweep Amount" shall mean minimum amount of money required to move HSA dollars between the Cash Account and the Investment Account once the applicable thresholds are met.

How your HSA Operates. The TPA will receive contributions (including rollovers, transfers, and mistaken distributions) from you and/or your employer and transfer them to the Contribution Account. Based on your account balances and instructions, the Custodian will move monies between accounts based on threshold and trigger amounts, as described below. The TPA will issue distributions (including rollovers, transfers, and mistaken contributions) to you from the Distribution Account or to the BIN Sponsor for Debit Card settlement.

The Custodian will transfer contributions from the Contribution Account into the Cash Account on a daily basis.



When your Cash Account balance meets or exceeds the Cash Account to Investment Account Trigger amount, the Custodian will transfer funds from the Cash Account to the Investment Account in an amount equal to or more than the Minimum Auto-Sweep Amount, and place these funds in an interest-bearing account and/or in such investment fund(s) as you elect.

When you request a distribution from your HSA that is less than the balance in your Cash Account, the Custodian will transfer the distribution amount from the Cash Account to the Distribution Account.

When you request a distribution from your HSA that is more than the balance in your the Cash Account, the Custodian will transfer sufficient funds from the Investment Account to the Cash Account to cover the amount of the distribution, and transfer the distribution amount to the Distribution Account.

If, for any reason, your Cash Account balance drops below the Investment Account to Cash Account Trigger amount, the Custodian will transfer such funds in an amount equal to or more than the Minimum Auto-Sweep Amount from the Investment Account to the Cash Account as needed to bring the Cash Account balance to the Investment Transfer Threshold. If it is necessary to liquidate one or more of your investments, the Custodian will follow the procedure in Section 11.17.

You have authorized electronic debit and credit entries, if applicable, to your designated checking or savings account. You have also authorized adjustments to these accounts for error corrections. This authorization will remain in effect until the termination of this agreement.

11.07 HSA Investment Options. HSA investment options include shares or participations of one or more investment companies as defined in the Investment Company Act of 1940, as amended (such funds are often referred to as "mutual funds"). Mutual funds made available as HSA investment options may include funds for which the Custodian serves as investment advisor, custodian, and/or distributor, and receives compensation for such services, as disclosed in the current prospectus for such mutual fund. The Custodian may also provide administrative, shareholder, or sub-transfer agency services, for other mutual funds that are available as HSA investment options, and the Custodian may receive compensation from third parties for those services, as disclosed in the current prospectus for such mutual fund or as disclosed by us from time to time. All dividends, including capital gain distributions, paid on mutual fund shares shall be reinvested in full and fractional shares of the mutual fund paying the distribution in the manner specified in the prospectus of the mutual fund. It will be your responsibility to exercise all conversion, subscription, voting and other rights pertaining to any securities held in your HSA, if applicable. You may invest in other investment vehicles (for example, stocks, bonds, savings accounts or other investment vehicles) only if the Custodian makes such investments available as investment options. Unless you make changes, your investment allocations will remain in effect and be applied to both current and future contributions to your account.

You have exclusive responsibility for and control over the investment of the assets in your Investment Account. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this agreement. Neither the Custodian nor the TPA shall have discretion to direct any investment in your HSA. Neither the Custodian nor the TPA assumes any responsibility for rendering investment advice with respect to your HSA, nor will the Custodian or the TPA offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your HSA. In the absence of instructions from you (as delivered to the Custodian through the Application), or if your instructions are not otherwise in a form acceptable to us, the Custodian shall have the right to hold these amounts in the interest-bearing account, and shall have no responsibility to invest these amounts in anything other than the interest-bearing account unless and until directed by you. Neither the Custodian nor the TPA will exercise the voting rights and other shareholder rights with respect to investments in your HSA. You will select the type of investment for your HSA assets, provided, however, that your selection of investments shall be limited to those types of investments that the Custodian is authorized by its charter, articles of incorporation or bylaws to make available and does in fact make available for investment in HSAs. The Custodian may, in its sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are obtainable by the Custodian and that it is capable of holding in the ordinary course of its business.

Mutual funds that are made available as HSA investment options may change from time to time. We will provide you with reasonable advance notice of such changes and give you the opportunity to change your investment allocations accordingly. If a mutual fund is eliminated as an HSA investment option and you do not instruct us to redirect your current investment balance, you hereby authorize and direct us to liquidate your HSA funds invested in the eliminated mutual fund and transfer those funds to an interest-bearing FDIC-insured account. If you have also not redirected your investment allocation as it relates to future contributions, future contributions that would have been allocated to the eliminated mutual fund will instead be invested in an interest-bearing FDIC-insured account. You may direct the Custodian to redeem any or all mutual fund shares held in your HSA and to invest the proceeds in any other available mutual funds, subject, however, to the applicable terms and conditions of the prospectus for each mutual fund involved.



You understand and acknowledge that some mutual funds (their managers, servicing agents, advisors, distributors or other affiliates) that may be held in the HSA may pay, directly or indirectly, as administrative expenses of the mutual fund, pursuant to a written plan described in Securities and Exchange Commission Rule 12b-1, or in another manner, fees or other compensation to the Custodian or its affiliates in recognition of shareholder services and recordkeeping services provided ("12b-1 fees"). The Custodian will allocate 12b-1 fees to your HSA based on your holdings in each mutual fund. The Accountholder acknowledges 12b-1 fees or other compensation are described in the prospectus or other disclosure materials made available to the Accountholder, and that administrative and management fees hereunder would otherwise be higher if 12b-1 fees were not payable to the Custodian or its affiliates. The 12b-1 fees are remitted by the mutual fund companies on a random basis during the year. The 12b-1 fees received during each calendar quarter will be allocated to your HSA by the end of each quarter as additional earnings.

The Accountholder agrees that the Custodian will on a quarterly basis deduct a management fee from your HSA equal to one-quarter of one-quarter of one percent (.0625%) per quarter or equal to an annual fee of one-quarter of one percent (.25%) on balances invested in mutual funds in your Investment Account. All or a portion of the management fees will be offset by the amount of 12b-1 fees received.

Different fees and rebate structures may apply to Accountholders with investment alternatives other than the Default Portfolio.

Some mutual funds may charge a redemption fee. Redemption fees, if any, will be charged to your Investment Account. You cannot reimburse your HSA for redemption fees. For further information on redemption fees, please see the mutual fund prospectus.

You understand that the value of your HSA and the growth in value of the HSA are dependent solely on the performance of the investment options you select. You acknowledge that investment options available under this HSA such as mutual funds and other securities (but not the Cash Account) are not insured by FDIC or other agency, are not guaranteed by the Custodian or any affiliate of the Custodian, TPA, or your employer, and may lose value. You also acknowledge that past investment performance is not a guarantee of future investment results with respect to an investment option and that you will review investment information about the investment options before investing. You should seek the assistance of a financial professional to address any questions or concerns you may have about your investment options and the selection of investments for your HSA.

11.08 Investment Account. The Investment Account is only available online through the Application. Accordingly, all investment transactions in the Investment Account must be initiated and conducted through the Application. Your investment in the HSA investment options may constitute the purchase of securities. As a holder of securities, you may be entitled to receive certain documents, including but not limited to prospectuses and proxies. Any securities-related documents required to be transmitted to you as a result of your investment in the HSA investment options will be transmitted to you electronically through the Application. As a condition to opening an Investment Account, you will be required to consent to the electronic delivery of all documents of any issuer whose securities are made available to your HSA, including issuers and securities made available after the date your account is opened. If you become unable to access the Application, or if you revoke your consent to electronic disclosure of investment information, you must contact your TPA immediately. At that time you will be given the option to terminate your account (and, if you choose, roll it over to another provider), or to liquidate your investment in the investment options and hold your HSA entirely in the Cash Account.

11.09 Account Information. Records of your HSA contributions, distributions, investment activity, earnings and balances will be made available exclusively through the Application. Before being granted online access to your HSA records, it will be necessary to enter a personal identification number ("PIN"), user ID and/or enhanced online security feature that you will receive prior to logging into the Application.

By executing this HSA Custodial Agreement and Disclosure Statement, you agree that all account information from the Custodian shall be made available exclusively in electronic form. Account information may be viewed at any time by logging into the Application. Any notices related to your HSA will be posted on the Application, or at our discretion, provided either by e-mail to the e-mail address we have on file for you, or by U.S. Mail to your mailing address we have on file for you. For an additional fee, if applicable, the TPA will send paper account information to your address by U.S. mail. You are responsible to advise the TPA in writing of any change to either your e-mail or mailing address.

Account information, notices and communications will be accessible in a form you can view, save to your computer or print as paper copies. A link will be provided to any software necessary to view, print, and/or save your HSA account information.



The Application will have information about your account balance, contributions, distributions, and recent amendments to your Custodial Agreement and Disclosure Statement and Designation of Representative by Accountholder readily available for review. The Application will provide a link or links to other websites for you to obtain specific information about your investments, including prospectuses. It may be necessary for you to establish a separate PIN, user ID and/or enhanced online security feature for this purpose and complete additional forms.

You agree to check the Application no less frequently than monthly to view your HSA account activity and other communications and information. You are responsible for keeping your HSA, PIN user ID and/or enhanced online security feature confidential, and we are not responsible for any other person's use of your PIN, user ID and/or enhanced online security feature.

11.10 Earnings on HSA Funds. In connection with the investment, contribution and distribution of funds in the ordinary course of our duties, we are authorized to deposit cash in checking or other disbursement accounts in our name or in the name of an affiliate. Until such time that a check is presented for payment, the TPA (or an affiliate) will receive an earnings credit that is calculated using a tiered rate which is based on the 91-day Treasury Bill index (after a ten percent (10%) reserve requirement). Any such earnings credit received by the TPA on HSA funds held in the contribution or distribution accounts, and any revenue earned by the Custodian from the use of funds deposited in the Cash Account, shall be part of our compensation for servicing this HSA, and you acknowledge and understand that fees otherwise charged by us for services under this agreement would be higher if we did not earn interest on HSA funds we deposit in accounts to accommodate HSA contributions or distributions or did not earn revenues from HSA funds deposited in the Cash Account. If a check drawn on the Distribution Account is not presented for payment within a maximum of one hundred eighty (180) days of the date it was written, the check shall be deemed invalid and the funds will be transferred from the Distribution Account back to your Cash Account as soon as reasonably practicable. After the maximum number of days has passed, you may contact the TPA to request a replacement check.

11.11 Custodian Powers. The Custodian may register securities in its name or in the name of its nominee without disclosing that such securities are held as custodian or as nominee. Except as expressly provided otherwise in this agreement, the Custodian shall have all of the powers generally conferred on custodians under the laws of the State of North Dakota. Additionally, the Custodian shall also have the power to perform any and all acts that it deems necessary or appropriate for the proper custodial servicing of your HSA. The Custodian may adjust the balance of your HSA as necessary to correct administrative errors, including improperly allocated contributions, distributions, earnings or losses. In the event a check or other instrument is returned for insufficient funds, any corresponding contributions to your HSA are also subject to adjustment by the Custodian.

11.12 Beneficiary(ies). If you die before you receive all of the funds from this HSA, payments from your HSA will be made to your death beneficiary(ies). You may designate one (1) or more persons or entities as death beneficiary of your HSA. This designation can only be made through the Application or on a form provided by or acceptable to us, and it will only be effective when it is filed with the TPA during your lifetime. Unless otherwise specified, each death beneficiary designation you file with the TPA will cancel all previous ones. The consent of a death beneficiary(ies) shall not be required for you to revoke a death beneficiary designation. If you have designated both primary and contingent death beneficiaries and no primary death beneficiary(ies) survives you, the contingent death beneficiary(ies) shall acquire the designated share of your HSA. If you do not designate a death beneficiary, or if all of your primary and contingent death beneficiary(ies) predecease you, your estate will be the death beneficiary.

You understand that if you designate your spouse as primary death beneficiary or contingent death beneficiary of this HSA, the dissolution, termination, annulment or other legal termination of your marriage will automatically revoke all beneficiary designations, both primary and contingent. After such revocation and until such time as a new beneficiary designation is completed, the HSA shall be treated as if there is no beneficiary designated.

Based on the above, if your spouse acquires the interest in this HSA by reason of being the death beneficiary at your death, this HSA shall be treated as if the surviving spouse were the Accountholder. If the death beneficiary is not your spouse, the HSA (or in accordance with rules established by the IRS the relevant portion thereof) will cease to be an HSA as of the date of death. Upon learning of the Accountholder's death, we may, in our complete and sole discretion, make a final distribution to a death beneficiary (other than the Accountholder's spouse) of his or her interest in the HSA. This distribution may be made without the death beneficiary's consent and may be placed in an interest-bearing (or similar) account that we choose.

11.13 Termination of Agreement, Resignation, or Removal of the Custodian. You may terminate this agreement at any time by giving written notice to the TPA. If this agreement is terminated by you, the Custodian may charge to your HSA an amount of money necessary to cover any associated costs pertaining to terminating this agreement.



The Custodian may resign at any time effective thirty (30) days after it mails written notice of its resignation to you. Upon receipt of that notice, you must make arrangements to transfer your HSA to another financial organization. If you do not complete a transfer of your HSA within thirty (30) days from the date the Custodian mails the notice to you, the Custodian has the right to transfer your HSA assets to a qualified successor HSA custodian or trustee that it chooses in its sole discretion, or it may pay your HSA to you in a single sum. The Custodian shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section.

11.14 Successor Trustee or Custodian. If the Custodian changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if the entire organization (or any portion which includes your HSA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your HSA, but only if it is the type of organization authorized to serve as an HSA trustee or custodian. If the organization is not the type of organization authorized by law to serve as an HSA trustee or custodian, then you must make arrangements to transfer your HSA to another financial organization. If you do not complete a transfer of your HSA within thirty (30) days from the date the Custodian mails the notice to you, the Custodian has the right to transfer your HSA assets to a successor HSA custodian or trustee that it chooses in its sole discretion, or it may pay your HSA to you in a single sum.

11.15 Amendments. The Custodian has the right to amend this agreement at any time. Any amendment the Custodian makes to comply with federal or state law does not require your consent. You will be deemed to have consented to any other amendment unless, within thirty (30) days from the date of notice of the amendment, you notify the TPA in writing that you do not consent.

11.16 Distributions. All requests for distributions or direct transfer to another HSA shall be made via electronic transfer, debit card, or on a form made available through the Application or the TPA and acceptable to the Custodian. No distributions of in-kind transfers shall be permitted, except at the Custodian's discretion. The Social Security Number or tax identification number of the recipient must be provided to the Custodian before it is obligated to make a distribution. Distributions shall be subject to all applicable tax and other laws and regulations, including possible early distribution penalties or surrender charges and withholding requirements.

You agree not to withdraw or attempt to withdraw amounts in excess of the balance of the HSA. In the event that an overdraft occurs, you will immediately contribute an amount to the HSA equal to the amount of the overdraft and any outstanding fees assessed against the HSA, including any overdraft fees. Such contributions made by you to the HSA shall be applied, first, to any outstanding fees (including overdraft fees) payable to the Custodian and/or the TPA, and second, to the negative balance of the HSA. Until you contribute the necessary funds to have the account become positive, all account activity shall be suspended. If after ninety (90) days you have not contributed the above required amounts, then you agree to be subject to any and all collection actions needed to recover such amounts and the account shall be closed.

The Custodian may allow the return of mistaken distributions provided there is clear and convincing evidence that the amount(s) distributed from the HSA was because of a mistake of fact due to reasonable cause. In determining whether this standard has been met, the Custodian shall have the ability to rely on your representation that the distribution was, in fact, a mistake. The Custodian may not permit return of mistaken distributions that relate to a calendar year after December 31st of that year.

In no event shall we restrict or limit HSA distributions to the payment or reimbursement of your qualified medical expenses. However, we may, on a case-by-case basis or as a matter of policy, place reasonable restrictions on both the frequency and the minimum amount of distributions from the HSA.

11.17 Liquidation of Assets. The Custodian has the right to liquidate assets in your HSA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your HSA. The Custodian will liquidate your investments in the same proportion as your investment holdings, and you agree not to hold us liable for any adverse consequences that may result from our decision to liquidate investments in this order. You understand that you might not receive the total amount of your requested distribution due to market fluctuations during the time period for processing your distribution request.

11.18 What Law Applies. This agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this agreement, the laws of the State of North Dakota shall govern. If any part of this agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither you nor our failure to enforce at any time or for any period of time any of the provisions of this agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.



11.19 Disclaimers. The HSA established by this agreement is intended not to constitute an “employee welfare benefit plan” or an “employee pension benefit plan” as defined by ERISA. Regardless of the status of the HSA under ERISA, we are not an “employer” or “plan sponsor” of the HSA or of any arrangement or plan of which the HSA is a part. We expressly disclaim responsibility for ERISA’s participation, vesting, funding, reporting, disclosure, and fiduciary requirements as they may apply to your HSA, including but not limited to any requirement to provide notices or election forms regarding continuation coverage under ERISA. If and to the extent that the HSA is deemed to be part of an arrangement or plan subject to ERISA, including any determination that the HSA is subject to ERISA’s continuation coverage requirements, this agreement may be amended or terminated at our sole discretion as of the effective date of such determination or on such later date, as we deem appropriate.

We will maintain all confidential information in accordance with all applicable banking laws and regulations. The HSA established by this agreement, however, is not intended to be a “health plan” as defined by final regulations interpreting the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”). Regardless of the status of the HSA under HIPAA Privacy Rules, we are not a “plan administrator” or “plan sponsor.” We expressly disclaim responsibility for the duties imposed upon “covered entities” under HIPAA Privacy Rules, except as may be agreed upon pursuant to a business associate agreement between us and a covered entity or any third party subject to the HIPAA Privacy Rules. If and to the extent that we are determined to be responsible for HIPAA compliance beyond the duties assumed pursuant to a business associate agreement, this agreement may be amended or terminated at our sole discretion as of the effective date of such determination or such later date, as we deem appropriate.

HSAs are personal health savings vehicles rather than group employee benefits. Although with respect to this HSA, your employer may have agreed to forward contributions through its payroll system to the Custodian, either directly or through the TPA, you are not restricted from moving funds to another HSA custodian or trustee (but your employer is not required to forward payroll contributions to another HSA provider).

Some states and localities may have tax laws that are different from the federal laws for HSAs. You should consult with your tax or legal advisor with questions about state and local laws that may affect your HSA.

11.20 Disclosure Statement.

1. Requirements of an HSA.

- a. **Cash Contributions.** Regular or annual HSA contributions must be in cash, which may include a check, money order, ACH or wire transfer. It is within the Custodian’s discretion to accept in-kind contributions for rollovers or transfers.
- b. **Maximum Contribution.** Except as provided in paragraph d. below, the total amount that may be contributed to your HSA for any taxable year is the sum of the limits determined separately for each month. The determination for each month is based on whether, as of the first (1st) day of such month, you are eligible to contribute and whether you have individual or family coverage under a HDHP. The maximum monthly contribution is adjusted each year for cost-of-living increases. In addition, if you have attained age fifty-five (55) before the close of the taxable year, and are not enrolled in Medicare, the contribution limit is increased on a monthly basis by an additional amount not to exceed \$1,000. The annual limit is decreased by aggregate contributions to another HSA or to an Archer MSA.
- c. **Contribution Eligibility.** You are an eligible individual for any month if you (i) are covered under an HDHP on the first day of such month; (ii) are not also covered by any other health plan that is not an HDHP and that provides coverage for any benefit covered under the HDHP (with limited exceptions such as a Limited Purpose Health Flexible Spending Account); (iii) are not enrolled in Medicare; and (iv) are not claimed as a dependent on another person’s tax return.

In general, an HDHP is a health plan that satisfies certain requirements with respect to deductibles and out-of-pocket expenses, as adjusted for inflation. For calendar year 2016, for self-only coverage, an HDHP has an annual deductible of at least \$1,300 and the sum of the annual out-of-pocket expenses required to be paid (deductibles, co-payments and amounts other than premiums) cannot exceed \$6,550. For calendar year 2016, for family coverage, an HDHP has an annual deductible of at least \$2,600 and the sum of the annual out-of-pocket expenses cannot exceed \$13,100. All of these dollar amounts are adjusted for cost-of-living increases annually.

- d. **HSAs Established Mid-Year.** If you are an eligible individual during the last month of the taxable year, you will be treated as (i) as having been an eligible individual during each of the months in such taxable year, and (ii) as having been enrolled, during each of the months you are treated as an eligible individual solely by reason of item (i) above, in the same high deductible health plan in which you are enrolled for the last month of such taxable year.



Under these circumstances, and subject to the requirement that you remain an eligible individual during the testing period, you may contribute the maximum amount to your HSA as though you were an eligible individual throughout the entire taxable year. The "testing period" means the period beginning with the last month of the taxable year referred to above, and ending on the last day of the twelfth (12th) month following such month.

If at any time during the testing period you cease to be an eligible individual, then your gross income in the taxable year in which you cease to be an eligible individual will be increased by the amount of all contributions to your HSA which could not have been made but for the rule above in this paragraph d., and you may be required to pay a penalty tax equal to twenty percent (20%) of the amount of such increase. These amounts will not be included in gross income or subject to the twenty percent (20%) penalty tax if you cease to be an eligible individual because of death or because you become disabled (within the meaning of Section 72(m) of the Code).

- e. **Nonforfeitable.** Your interest in your HSA is nonforfeitable.
- f. **Eligible Custodians.** The custodian of your HSA must be a bank, savings and loan association, credit union, or a person approved by the IRS.
- g. **Commingling Assets.** The assets of your HSA cannot be commingled with other property, except in a common trust fund or common investment fund.
- h. **Life Insurance.** No portion of your HSA may be invested in life insurance contracts.

2. Income Tax Consequences of Establishing an HSA.

- a. **Tax Treatment of HSA Contributions.** If you are eligible to contribute to an HSA for any month during the taxable year, amounts contributed to your HSA are deductible in determining adjusted gross income up to the maximum contribution limits discussed above. The deduction is allowed regardless of whether you itemize deductions. Employer contributions to your HSA are excludable from your gross income and you cannot deduct such amounts on your tax return as HSA contributions.
- b. **Tax-Deferred Earnings.** The investment earnings of your HSA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).
- c. **Taxation of Distributions.** The taxation of HSA distributions depends on whether the distribution is for a qualified medical expense. Generally, distributions paid due to qualified medical expenses are excluded from your gross income. Qualified medical expenses are amounts you pay for medical care (as defined in the Code Section 213(d)) for yourself, your spouse and your dependents (as defined in the Code Section 152), but only to the extent that such amounts are not covered by insurance or otherwise. Distributions made for purposes other than qualified medical expenses are included in your gross income and are subject to an additional twenty percent (20%) tax on the includable amount.
- d. **Rollovers and Transfers.** Your HSA may be rolled over to another HSA of yours, or may receive rollover contributions, provided that all of the applicable rollover rules are followed. Rollover is a term used to describe a tax free movement of cash or other property between any of your HSAs or other tax favored accounts. The rollover rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover, please see your tax advisor.

Funds distributed from your HSA may be rolled over to another HSA that you own if the requirements of the Code Section 223(f)(5) are met. A proper HSA to HSA rollover is completed if all or part of the distribution is rolled over not later than sixty (60) days after the distribution is received. You may not have completed another HSA to HSA rollover from the distributing HSA during the twelve (12) months preceding the date you received the distribution. Further, you may roll over the same dollars or assets only once every twelve (12) months. Finally, current IRS-published guidance indicates that you may make only one rollover contribution to an HSA during a one (1) year period.

Funds distributed from your Archer MSA may be rolled over to your HSA. A proper MSA to HSA rollover is completed if all or part of the distribution is rolled over not later than sixty (60) days after the distribution is received. Rollovers from an IRA to an HSA are also permitted subject to the requirements and limitation under the Tax Relief and Health Care Act of 2006 and IRS guidance issued thereunder.

At the time you make a proper rollover to an HSA, you must designate to the Custodian, in writing, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

- e. **Carryback Contributions.** A contribution is deemed to have been made on the last day of the preceding taxable year if you make a contribution by the deadline for filing your income tax return (not including extensions), and you designate that contribution as a contribution for the preceding taxable year.



Health Savings Account (HSA)

For example, if you are a calendar year taxpayer and you make your HSA contribution on or before April 15th, your contribution is considered to have been made for the previous tax year if you designated it as such.

3. Limitations and Restrictions.

- a. **Deduction of Rollovers and Transfers.** A deduction is not allowed for rollover or transfer contributions.
- b. **Prohibited Transactions.** If you or your death beneficiary engage in a prohibited transaction with your HSA, as described in Code Section 4975, your HSA will lose its tax-exempt status and you must include the value of your account in your gross income for that taxable year and pay all applicable taxes and penalties.
- c. **Pledging.** If you pledge any portion of your HSA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year and may be subject to the additional twenty percent (20%) tax.

4. Federal Tax Penalties.

- a. **Twenty Percent (20%) Penalty.** If you receive a distribution that is included in your gross income, you are subject to an additional tax of twenty percent (20%). This additional twenty percent (20%) tax will apply unless a distribution is made on account of (i) attainment of age sixty-five (65) (or, if different, the age specified under Section 1811 of the Social Security Act), (ii) death, or (iii) disability.
- b. **Excess Contribution Penalty.** An excise tax of six percent (6%) is imposed upon any excess contribution you make to your HSA. This tax will apply each year in which an excess remains in your HSA. An excess contribution is any contribution amount which exceeds your contribution limit, excluding rollover and direct transfer amounts.

5. Other.

- a. **Important Information about Procedures for Opening and Maintaining your Account.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each individual who opens an account. What this means for you, when you open an account, you are required to provide your name, residential address, date of birth, and identification number. As part of the ongoing maintenance of your account we may require other information or documentation that allows us to identify you. You understand that your HSA may be closed if additional verification is not possible. Upon such closure, funds deposited in your HSA will be returned to you, less any fees or expenses chargeable against your HSA, or penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your HSA account. The Custodian shall not be liable for any tax consequences or tax withholdings you may incur as a result of the transfer or distribution of your assets.
- b. **Force Majeure.** We will be released without any liability on our part from the performance of our obligations hereunder, to the extent our performance is prevented by the event of Force Majeure. Force Majeure will mean any event or condition not reasonably within our control which prevents in whole or in material part, the performance by us of our obligations hereunder or which renders the performance of such obligations so difficult or costly as to make such performance commercially unreasonable.

We shall not be liable for failure to perform or delay in performance of any of our obligations under this agreement to the extent that such failure or delay results from any act of God, including but not limited to a blizzard, flood, tornado or any other adverse weather conditions; military operation; terrorist attack; widespread and prolonged loss of use of the internet or the world wide web, national emergency; civil commotion; or the order of any government agency or acting government authority or any other cause beyond our reasonable control whether similar or dissimilar to the foregoing causes.

- c. **Sweep Disclosure Notification.** As set forth under this agreement, you may make contributions to your HSA. Based on the value of your HSA and certain threshold and trigger amounts defined under this agreement, funds may be moved between your Cash Account and Investment Account. These funds may either be in a deposit account at the Custodian or an Investment Account at an outside investment company, at your direction.

If you direct that the funds be in a deposit account at the Custodian, then these funds will be insured by the FDIC to the extent of the deposit insurance limits. In the event of the failure of the Custodian, you will be a secured creditor of the Custodian to the extent of the FDIC deposit insurance limits. If the funds are in excess of the FDIC deposit insurance limits, you will be an unsecured creditor with respect to the excess.

If you direct that the funds be at an outside investment company, then these funds are not considered a deposit account of the Custodian and are not FDIC insured.



Health Savings Account (HSA)

In the event of the failure of the Custodian, these funds will remain your separate funds at the outside investment company and are subject to the provisions of the outside investment company.

By executing this agreement, you acknowledge receipt of the Sweep Disclosure Notification and agree to receive future notices of any updates to the Sweep Disclosure Notification at www.healthcarebank.com, and to review the Sweep Disclosure Notification no less frequently than annually.

- d. **Custodian Information.** Healthcare Bank, 3100 13th Ave SW, Fargo, ND 58103. Healthcare Bank is a division of Bell State Bank & Trust, a wholly owned subsidiary of State Bankshares, Inc.

Designation of Representative by Accountholder

The Health Savings Account ("HSA") Accountholder named on the Healthcare Bank Custodial Agreement and Disclosure Statement ("Accountholder") hereby appoints, designates, and authorizes **TASC** ("TPA") to serve as its Designated Representative and HSA Administrator. The TPA hereby accepts the appointment by the Accountholder, subject to the terms and conditions set forth below.

1. **Designated Representative.** In its role as Designated Representative, the TPA will serve as primary liaison between the Accountholder and Healthcare Bank ("Custodian"). The TPA will not provide any services to the Accountholder or the Accountholder's HSA as a fiduciary under Section 3(21) of ERISA, under any comparable and applicable provisions of state or local law, or under the Investment Advisor's Act of 1940.
2. **Investments.** All investment transactions, including all communications and instructions, must be completed by the Accountholder through the investment portal ("Investment Portal") available through the 1Cloud by Evolution1® system ("Application") made available to the Accountholder by the TPA. The communications and instructions may include instructions to place orders for the purchase and sale of mutual funds or other investments made available through the Custodian. The Accountholder hereby authorizes and directs the Custodian to accept such investment instructions from the Investment Portal and the Application, to pay for mutual fund share purchases from the Accountholder's HSA, and to receive payment from the sale of mutual fund shares into the Accountholder's HSA. The Accountholder and the TPA agree to the following:
 - a. No investment transaction for the Accountholder's HSA to be processed by the Custodian at the direction of the Accountholder will be processed until the Custodian receives the funds to be invested and the instruction in proper form. Investment transactions will be processed either as soon as administratively practicable thereafter or, if later, on the scheduled date for processing. The Custodian may rely conclusively on all instructions given through the Investment Portal and the Application that the Custodian believes to be genuine. In the absence of proper investment instructions, the Custodian will not be liable for interest, market gains or losses in the HSA. The Custodian is not a guarantor of timely processing with respect to the Accountholder or TPA.
 - b. The Accountholder agrees that the Custodian may rely on instructions from the Investment Portal and the Application, and the Accountholder agrees that the Custodian shall be under no duty to make an investigation with respect to any such instructions. However, each direction is contingent upon the determination by the Custodian that the instruction can be administered by the Custodian.
 - c. The Accountholder is solely responsible for managing the investments of the Accountholder's HSA and for communicating investment instructions through the Investment Portal on the Application. All instructions, directions, and/or confirmations received by the Custodian from the Investment Portal and the Application shall be deemed to have been authorized by the Accountholder.
 - d. The Accountholder understands and agrees the Custodian will hold only those mutual funds or other investments agreed to by the Custodian.
 - e. The Custodian may delay the processing of any investment transaction due to a Force Majeure, government or National Securities Clearing Corporation ("NSCC") restrictions or changes, exchange, market or NSCC rulings, strikes, interruptions of communications or data processing services, or disruptions in orderly trading on any exchange or market.
 - f. "Force Majeure" means a cause or event outside the reasonable control of the parties or that could not be avoided by the exercise of due care, such as an act of God, including but not limited to a blizzard, flood, tornado or any other adverse weather conditions, or a significant mechanical, electronic or communications failure.
 - g. The Accountholder agrees that the TPA is not an agent of the Custodian except with respect to HSA contributions transmitted from the TPA to the Custodian.



3. **HSA Administrator.** In its role as HSA Administrator, the TPA will assume recordkeeping and nondiscretionary administrative duties on behalf of the Custodian, for the benefit of both the Custodian and the Accountholder. The TPA will not provide any services to an Accountholder or an Accountholder's HSA as a fiduciary under Section 3(21) of ERISA, under any comparable and applicable provisions of state or local law, or under the Investment Advisor's Act of 1940. The TPA agrees to assume the following specific duties and responsibilities:

- a. Receive and forward contributions from the Accountholder and Accountholder's employer.
- b. Receive and transmit investment instructions and other information to the Custodian through the Application.
- c. Pay distributions to or for the benefit of the Accountholder.
- d. Maintain all necessary information on the Application for the Custodian to prepare required returns, reports, or other documents to the applicable taxing authorities, including IRS Forms 5498-SA and 1099-SA.
- e. Provide access to the Accountholder through the use of the Application to permit the Accountholder to initiate transactions and access information on HSA balances and investments.
- f. Forward requests to the appropriate mutual fund provider if necessary for prospectuses, financial statements, reports, or any other material related to mutual funds to the extent such information is not made available electronically through the Application.
- g. Produce electronic account information to the Accountholder through the Application, or by paper if requested by the Accountholder, showing the assets of the HSA and records of contributions, distributions, and other transactions.
- h. Perform other reasonable services requested by the Custodian and the Accountholder.

4. **Removal of the Designated Representative and the HSA Administrator.** The Accountholder may remove the TPA as the Designated Representative or the HSA Administrator by closing their HSA with the Custodian.

5. **Compensation to the TPA from the Custodian.** As compensation for assuming recordkeeping and administrative duties on behalf of the Custodian, and pursuant to the terms of a separate agreement between the Custodian and the TPA, as follows:

- a. If the Fed Funds Rate on the last Business Day of the month is equal to or greater than two and one-half percent (2.5%) per annum, then the Custodian shall pay to the TPA an amount equal to one percent (1%) per annum of HSA assets held in the Cash Account, up to a maximum Cash Account balance of \$2,000 per Accountholder.
- b. If the Fed Funds Rate on the last Business Day of the month is less than two and one-half percent (2.5%) per annum, then the amount the Custodian shall pay to the TPA may be reduced, in the sole and exclusive discretion of the Custodian, below the one percent (1%) per annum of the HSA assets held in the Cash Account, up to a maximum Cash Account balance of \$2,000 per Accountholder or eliminated in total.
 - I. If the Custodian, in their sole and exclusive discretion, does pay compensation to the TPA when the Fed Funds Rate is less than two and one-half percent (2.5%); such payment shall not result in any future obligation of the Custodian to the TPA or be considered as an amendment or modification of this agreement.
 - II. Upon the Fed Funds Rate increasing to two and one-half percent (2.5%) or above, the Custodian will pay compensation to the TPA as set forth under paragraph 5.a. above.
- c. No HSA assets shall be used for this purpose, and all such compensation shall be paid from the Custodian's general assets. The amount of compensation shall be adjusted to reflect daily average collected balances of HSA funds in the Cash Account, up to a maximum Cash Account balance of \$2,000 per Accountholder. This amount may be reduced if (i) the Accountholders are permitted to invest minimum balances in interest-bearing accounts, (ii) the minimum balance for one (1) or more specified groups of Accountholders is less than designated threshold agreed upon by the Custodian, or (iii) the Custodian makes changes to the standard offering of mutual funds, as chosen by the Custodian or as agreed upon by the Custodian and the TPA, at the request of the TPA or other third party, other than the Accountholders, which results in increased expenses or decreased revenues to the Custodian. The TPA shall communicate designated threshold to the Accountholder.



- 6. Liability.** The Accountholder hereby agrees to indemnify, defend and hold the TPA and the Custodian, and any parent, subsidiary, related corporation, or affiliate of the TPA or the Custodian, including their respective directors, managers, officers, employees and agents, harmless from and against any and all loss, costs, damages, liability, expenses or claims of any nature whatsoever, including but not limited to legal expenses, court costs, legal fees, and costs of investigation, including appeals thereof, arising, directly or indirectly:
- Thereof from any action that the TPA or the Custodian takes in good faith in accordance with any certificate, notice, confirmation, or instruction delivered by the Accountholder, whether through the Application or otherwise. The Accountholder waives any and all claims of any nature it now has or may have against the TPA or the Custodian and its affiliates, parent company and their respective directors, managers, officers, employees, agents and other representatives, which arise, directly or indirectly, from any action that the TPA and the Custodian takes in good faith in accordance with any certificate, notice, confirmation, or instruction from the Accountholder.
 - Out of any loss or diminution of any mutual fund or other investment of the HSA resulting from changes in the market value; reliance, or action taken in reliance, on instructions from the Accountholder; any exercise or failure to exercise investment direction authority by the Accountholder; the TPA or the Custodian's refusal on advice of counsel to act in accordance with any investment direction by the Accountholder; any other act or failure to act by the Accountholder; any prohibited transaction due to any actions taken or not taken by the TPA or the Custodian in reliance on instructions from the Accountholder; or any other act the TPA or the Custodian takes in good faith hereunder.

Without limiting the generality of the foregoing, the Custodian shall not be liable for any losses arising from its compliance with instructions from the Accountholder or the TPA; or executing, failing to execute, failing to timely execute or for any mistake in the execution of any instructions, unless such action or inaction is by reason of the willful misconduct of the Custodian.

The Accountholder is responsible for and hereby agrees to reimburse the TPA for any fees or penalties paid by the TPA for corrected 1099-SA and/or 5498-SA forms due to an error by the Accountholder.

This provision shall survive the termination of the Custodial Agreement and Disclosure Statement.

- 7. Electronic Communications.** The Accountholder understands and authorizes that certain investment elections, changes or transfers, distribution decisions, and any other decision or election by the Accountholder or the TPA shall be accomplished exclusively by electronic means through the Investment Portal and the Application, which includes, but is not limited to, the internet and which are not otherwise prohibited by law and which are in accordance with procedures and/or systems approved or arranged by the Custodian and the TPA.
- 8. Electronic Payment Authorization.** The Accountholder authorizes electronic debit and credit entries, if applicable, to the Accountholder's designated checking or savings account. The Accountholder also authorizes adjustments to these accounts for error corrections. This authorization will remain in effect until the termination of this agreement.
- 9. Distributions.** The Accountholder authorizes the Custodian to distribute funds from the HSA on behalf of the Accountholder upon instruction through the Application or through the use of the Debit Card. Funds to be disbursed shall be placed in a Distribution Account of the TPA, and the Accountholder authorizes the TPA to withdraw funds requested by the Accountholder from the Distribution Account and pay them to or for the benefit of the Accountholder or, if agreed upon in advance between the Accountholder and the TPA, to the TPA for administrative fees or to a third party provider of medical services or supplies.
- 10. Relationship of the Custodian and Designated Representative and HSA Administrator.** This provision shall survive the termination of the Custodial Agreement and Disclosure Statement. The Accountholder understands and agrees the Custodian will hold only those mutual funds or other investments agreed to by the Custodian.

The Accountholder understands and authorizes that certain investment elections, changes or transfer, distribution decisions, and any other decision or election by the Accountholder or the TPA shall be accomplished exclusively through the Investment Portal and the Application in accordance with procedures and/or systems approved or arranged by the Custodian and the TPA.

The Accountholder authorizes the Custodian to distribute funds from the account on behalf of the Accountholder upon instruction from the Application or through the use of the Debit Card. Funds to be disbursed shall be placed in the Distribution Account of the TPA, and the Accountholder authorizes the TPA to withdraw funds requested by the Accountholder from the Distribution Account and pay them to or for the benefit of the Accountholder.



The Custodian has entered into a separate contract with the TPA with respect to its roles as the Designated Representative and the HSA Administrator. Upon termination of the contract between the Custodian and the TPA, the Accountholder agrees that the Custodian may assume the responsibilities of the TPA. If the Custodian does not choose to assume the responsibilities of the TPA, the Accountholder may appoint a new Designated Representative and HSA Administrator if acceptable to the Custodian pursuant to this agreement. If the Custodian does not choose to assume the responsibilities of the TPA and the Accountholder does not appoint a new Designated Representative and HSA Administrator acceptable to the Custodian, the Custodian may resign on the effective date of termination of the contract between the HSA Administrator and the Custodian. The Custodian is authorized to contract or make arrangements with any affiliate or third party for the provision of necessary services to the Account. The Custodian is specifically authorized to place securities orders, settlement security trades, hold securities in custody and perform related activities on behalf of the account.

11. Amendment. The Custodian and the TPA, upon mutual agreement, have the right to amend this agreement at any time. Any amendment made to comply with federal or state law does not require the Accountholder's consent. The Accountholder will be deemed to have consented to any other amendment unless, within thirty (30) days from the date of notice of the amendment, the Accountholder notifies the TPA in writing that it does not consent.

12. Termination of Agreement and Resignation. The Accountholder may terminate this agreement at any time by giving written notice to the TPA. The TPA may resign as Designated Representative and HSA Administrator any time effective thirty (30) days after it mails written notice of its resignation to the Accountholder. Upon receipt of that notice, the Accountholder must make arrangements with the Custodian to appoint a new Designated Representative and HSA Administrator. If the Custodian does not choose to assume the responsibilities of the TPA, and the Accountholder does not appoint a new Designated Representative and HSA Administrator acceptable to the Custodian, the Custodian may resign on the effective date of termination of this agreement.

13. Fees. The Accountholder shall pay the TPA the administrative fees described in any separate agreement with the TPA, and the Custodian shall undertake no responsibility for collecting, reconciling, reporting or disclosing said fees in connection with this agreement.

The TPA shall pay the Custodian a service charge for activity costs associated with the Contribution and Distribution Accounts maintained at the Custodian, as described in a separate schedule with the TPA. The Custodian shall pay the TPA an earnings credit for positive collected balances in the Contribution and Distribution Account. The earnings credit shall be calculated using a tiered rate which is based on the 91-day Treasury Bill index, after a ten percent (10%) reserve requirements. If the earnings credit exceeds the activity costs, there shall be no service charge. If the earnings credit is less than the activity costs, the service charge shall be deducted from the TPAs designated account.

14. Termination. In the event the Accountholder terminates employment or otherwise discontinue making contributions under the Accountholder's employers HSA funding program, the Accountholder may be offered an opportunity to continue these HSA services as provided by the Custodian and Designated Representative. Accountholder will be provided with details of such arrangement, which may include, without limitation, changes to the Accountholder's investment choices, fees, plan type, user ID, password, and/or enhanced online security feature.



Discrimination is Against the Law 45 C.F.R. § 92.8(b)(1) & (d)(1)

Total Administrative Services Corporation complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. TASC does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

TASC provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats.

TASC provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact TASC's Civil Rights Coordinator.

If you believe that TASC has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Civil Rights Coordinator, 2302 International Way, Madison, WI 53704; Phone: 1-608-316-2408; Fax: 1-877-231-1287; Email: CivilRightsCoordinator@tasconline.com. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, TASC's Civil Rights Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-868-1019, 800-537-7697 (TDD).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電1-877-533-5020 (TTY: 1-800-947-3529)。

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-877-533-5020 (TTY: 1-800-947-3529).

رقم 1-5020-533-877 لمحوطة: إذا كنت تحدث لغة أخرى، فإن خدمات المساعدة اللغوية هتف الصم لوليفتمت فلكم بللم حازاتص لب رقم: 1-800-947-3529-1).

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-877-533-5020 (телетайп: 1-800-947-3529).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-877-533-5020 (TTY: 1-800-947-3529). 번으로 전화해 주십시오.

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-877-533-5020 (TTY: 1-800-947-3529).

Wann du [Deutsch (Pennsylvania German / Dutch)] schwetzscht, kannscht du mitaus Koschte ebber gricke, ass dihr helft mit die englisch Schprooch. Ruf selli Nummer uff: Call 1-877-533-5020 (TTY: 1-800-947-3529).

ໂປດຊາບ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ, ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 1-877-533-5020 (TTY: 1-800-947-3529).

ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-877-533-5020 (ATS : 1-800-947-3529).

UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 1-877-533-5020 (TTY: 1-800-947-3529).

ध्यान दें: यदि आप हिंदी बोलते हैं तो आपके लिए मुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 1-877-533-5020 (TTY: 1-800-947-3529) पर कॉल करें।



Health Savings Account (HSA)

KUJDES: Nëse flitni shqip, për ju ka në dispozicion shërbime të asistencës gjuhësore, pa pagesë. Telefononi në 1-877-533-5020 (TTY: 1-800-947-3529).

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-877-533-5020 (TTY: 1-800-947-3529).

ENROLLMENT



State of Wisconsin

HEALTH SAVINGS ACCOUNT

2018





WELCOME

Save up to 30% with a Health Savings Account (HSA)!

It's Your Choice Open Enrollment

- Annual It's Your Choice Open Enrollment Period: **October 2 – 27, 2017**
- 2018 Benefit Period: **January 1 – December 31, 2018**
- **Note:** You must re-enroll in an HSA each year, even if you plan to continue your It's Your Choice (IYC) High-Deductible Health Plan (HDHP) enrollment.

New Employee Enrollment

If you are electing to enroll in an HSA, you must enroll within 30 days of your date of hire (in an eligible position), or first eligible appointment. Coverage will begin on the first of the month on or following your eligibility date.

Qualified Life Change Event

If you experience a qualified life change event, such as a marriage or divorce, birth or adoption of a child, a change in employment status, or another qualified life change event, you may have the opportunity to enroll or change your coverage outside of the open enrollment period. There are various rules related to qualified life change events. Changes due to a qualifying life event must be made within 30 days from the date of the event.

Important Program Information

Expense Deadline – For the 2017 Benefit Period, you must incur all eligible expenses by December 31, 2017. For the 2018 Benefit Period, you must incur all eligible expenses by December 31, 2018. The HSA can only be used to pay for eligible health care expenses incurred after your HSA was established.

Re-Enrollment – You must re-enroll each year to continue participation. Elections do not carry forward from year to year.

Claims Deadline – While you should always try to submit requests for distribution during the same plan year in which the expense was incurred, there is no deadline to request an HSA distribution. You can only be reimbursed for eligible expenses incurred after your HSA was established and funded.

Carryover – All unused HSA funds carryover year-to-year without forfeiture.

Important Changes for 2018

HSA Contribution Limits

- The annual individual limit for an HSA contribution will increase by \$50, from \$3,400 to \$3,450.
- The annual family contribution limit will increase by \$100, from \$6,750 to \$6,850.

HSA Payroll Processing

- HSA contributions will be distributed evenly over the course of the year, in accordance with your payroll schedule.
- Biweekly: 24 pay periods | Monthly: 12 pay periods | 9-Month: 9 pay periods

We look
forward to
meeting your
HSA needs!

TASC Customer Care

Phone	844-786-3947 or 608-316-2408 Monday – Friday, 8:00 a.m. to 5:00 p.m.
Online	https://partners.tasconline.com/ETFEmployee
Email	1customercare@tasconline.com
Mail	P.O. Box 7511 Madison, WI 53707
Fax	877-231-1287



HEALTH SAVINGS ACCOUNT



A Health Savings Account (HSA) is an individually-owned, tax-advantaged account you can use to pay for current or future eligible health care expenses. With an HSA, you'll have the potential to build more savings for health care expenses or additional savings through self-directed investment options.

What are the benefits of an HSA?

- Pre-tax contributions reduce your taxable income.
- Post-tax contributions are tax deductible.
- Make changes to your contribution at any time.
- Distributions for eligible health care expenses are tax free.
- HSA funds carry over year-to-year without forfeiture.
- Contributions to your HSA belong to you, even if you retire or change employment.¹
- Grow your savings over time by earning interest.
- After age 65, your funds can be withdrawn for any purpose without penalty (subject to regular income taxes).

How does it work?

- You can contribute to your HSA via payroll deduction or by online transfer from your personal bank account to your HSA. Your employer (if eligible for employer contribution) or third parties, such as a spouse or parent, may contribute to your account as well.
- You can pay for eligible health care expenses with your TASC Card or pay out-of-pocket. If you pay out-of-pocket, you can either choose to reimburse yourself or keep the funds in your HSA to grow your savings.
- Manage your HSA account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>.

Who is eligible?

The following individuals are **eligible** for the HSA, provided they meet **all** HSA eligibility requirements and are enrolled in an It's Your Choice (IYC) High Deductible Health Plan (HDHP):

- State employees, except those who are eligible for the graduate assistant/short term academic staff benefits package and are not in the Wisconsin Retirement System, are eligible to participate.
- Limited Term Employees (LTEs) who are eligible for the State of Wisconsin Group Health Insurance Program are eligible to participate.
- Retirees younger than age 65 are eligible to participate. Retirees enrolled in the IYC HDHP/HSA benefit option must keep their HSA open and active, and pay the \$3.00 monthly HSA service fee.

Who is not eligible?

The following are **not** eligible for the HSA:

- Short-term academic staff not in the Wisconsin Retirement System
- Graduate assistants
- Retirees older than 65 years of age
- Subscribers not enrolled in an IYC HDHP
- Subscribers with disqualifying other health coverage that pays out-of-pocket health care expenses before meeting the plan deductible, such as a spouse's non-HDHP health plan, Medicare, or a Health Care Flexible Spending Account. See Disqualifying Other Coverage and Permitted Other Coverage on page 4 for more information.

Annual HSA Limits	2018	2017
Individual HSA Contribution Limit ²	\$3,450	\$3,400
Family HSA Contribution Limit ²	\$6,850	\$6,750
HSA Catch-Up Contribution Limit ³	\$1,000	\$1,000
HSA Carryover Limit	Unlimited	

²: Contributions from all sources combined, such as employee, employer, and third parties (i.e. parent, spouse, or anyone else) must not exceed these limits.

³: Health Savings Account holders that meet these qualifications are eligible to make an HSA Catch-Up Contribution of \$1,000: age 55-65 (regardless of when in the year an account holder turns 55), not enrolled in Medicare (if an account holder enrolls in Medicare mid-year, catch-up contributions should be pro-rated).



Annual HSA Limits

This is the amount the Internal Revenue Service (IRS) allows to be contributed to an individual HSA. If a married individual's spouse also has an HSA, the two can only contribute up to the total contribution limit between the two HSAs. **If you are eligible, your employer may contribute up to \$750 individual/\$1,500 family.**

¹: Employees that terminate employment but keep HSA open and active pay the \$3.00 monthly HSA service fee.



HSA Eligibility Requirements

To be eligible for the Health Savings Account (HSA), the subscribing participant:

- **Must** be covered by an It's Your Choice (IYC) High Deductible Health Plan (HDHP).
- **Cannot** have any other health coverage that pays for out-of-pocket health care expenses before meeting the plan deductible (including Medicare). See Disqualifying Other Coverage section below for more details.
- **Cannot** be claimed as a dependent on another person's tax return (unless it's your spouse).

Disqualifying Other Coverage

- You cannot have any other health coverage that pays for out-of-pocket health care expenses before you meet your IYC HDHP deductible, including Medicare A and B.
- You cannot be covered by TRICARE, or have accessed your Veterans Administration (VA) benefits in the past 90 days (to contribute to an HSA). Exceptions may apply. See HSA Participant Guide for more details.
- You (and your spouse) cannot have a Health Care Flexible Spending Account (FSA) in the same year.
- **Note:** You must notify your human resources/benefits office of any other medical coverage when enrolling in, and at any point while enrolled in, the HDHP and HSA. Other types of health coverage that pay out-of-pocket health care expenses before meeting the IYC HDHP deductible may disqualify you from the HSA, including a spouse's non-HDHP health plan, Medicare, or a Health Care FSA.
- If you are determined to be ineligible for the HSA, you may have to repay HSA contributions and your IYC HDHP enrollment may be impacted.

If You Enrolled...

Your HSA Will Be Retroactive To...

- | If You Enrolled... | Your HSA Will Be Retroactive To... |
|--|---|
| • During IYC Open Enrollment, but were <u>never</u> eligible for an HSA | • January 1 of the current plan year |
| • Mid-year, but were <u>never</u> eligible for an HSA | • Your HSA effective date for the current plan year |
| • During IYC Open Enrollment or mid-year, but became ineligible <u>after</u> the coverage effective date | • Your date of ineligibility |

Permitted Other Coverage

- Certain types of other insurance are allowable:
 - Accident/liability
 - Dental care
 - Vision care
 - Long-term care
 - Disability
 - Workers compensation
 - Hospitalization
 - Specific disease or illness insurance, if the insurance pays a specific dollar amount when the policy is triggered
 - Wellness programs and worksite assistance programs (EAP) if they do not pay for significant medical benefits

Retirees Younger than 65 Year of Age

- If you are a retiree younger than age 65 and continue to meet all HSA eligibility requirements (see Enrollment Eligibility on page 3), you are eligible to continue participation in the IYC HDHP and HSA benefit option.
- If you elect to continue your IYC HDHP and HSA:
 - You **must** keep your State of Wisconsin-sponsored HSA open and active.
 - You **must** enroll in the HSA each year during open enrollment to keep your HSA active and maintain HSA contribution eligibility.
 - You will be responsible for the \$3 monthly account maintenance fee.
 - HSA contributions are no longer deducted from your paycheck. You can make them via your TASC online account.

Loss of HSA Eligibility

You lose HSA eligibility as of the first day of the month you turn 65 and/or enroll in Medicare.



Note: Once you reach age 65, you are eligible for penalty-free withdrawals, allowing you to use your HSA funds for any reason. You can also use your HSA to pay for some insurance premiums. However, most Americans begin Medicare at age 65, therefore losing HSA eligibility. To learn more about these important changes, visit <https://partners.tasconline.com/ETFEmployee>.



Eligible HSA Health Care Expenses

Below is a partial list of eligible expenses that are reimbursable through an HSA. Eligible expenses can be incurred by you, your spouse, or qualified dependents. The HSA can only be used to pay for eligible health care expenses incurred after your HSA was established. For more information, see your HSA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

Medical Expenses

- Acupuncture
- Ambulance services
- Annual physical examination
- Birth control/contraceptive devices
- Birth classes/Lamaze¹
- Blood pressure monitor
- Chiropractic therapy/exams/adjustments
- Co-payments
- Crutches¹
- Dermatology services
- Diagnostic services
- Flu shots
- Hearing aids and batteries¹
- Infertility treatments
- Insulin and diabetic supplies
- Legal sterilization
- Physical exams
- Physical therapy¹
- Podiatry services
- Sleep apnea services/products¹
- Smoking cessation programs
- Therapy or counseling
- Treatment for alcohol or drug dependency
- Vaccinations
- Wrist supports/elastic straps
- X-ray fees

¹: Restrictions may apply. See IRS Publications 502 and 969 for more details.

Dental Expenses

- Cleanings and exams
- Crowns and bridges
- Dental surgery
- Dental x-rays
- Dentures
- Extractions
- Diagnostic services
- Fillings
- Orthodontia
- Root canals

Vision Expenses

- Contact lenses and lens solutions
- Eye exams
- Eye surgery
- Diagnostic services
- Laser eye surgery/LASIK
- Prescription eyeglasses
- Seeing eye dog (*buying, training, and maintaining*)

OTC Medicines and Drugs

Over-the-counter (OTC) medicines and drugs, except for insulin, require a prescription from your physician to be reimbursable with your TASC HSA. The prescription must be included with each request for reimbursement.

- Antihistamines
- First Aid supplies
- Hemorrhoid treatments
- Indigestion medications
- Nicotine patches
- Pain relievers
- Yeast infection medications

Eligible Premiums

- Qualified long term care (LTC) insurance
- COBRA or USERRA leave premiums
- Any health plan premiums while receiving unemployment benefits

Note: If you have a qualified dependent child, you can use your HSA funds to pay for their eligible medical expenses through the end of the calendar year in which they turn 24.

Ineligible Health Savings Account Expenses

Note: If you pay for anything other than qualified expenses with your HSA, the amount will be taxable, and you will pay an additional tax penalty. If you are age 65 or older, the tax penalty does not apply, but the amount must be reported as taxable income. Below is a partial list of ineligible expenses. For more information, see your HSA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

- Advance payment for future medical expenses
- Athletic mouth guards
- Childcare
- Contributions to state disability funds
- Cosmetic supplies (*makeup, cleansers, moisturizers, etc.*)
- Cosmetic surgery (*unless due to trauma or disease*)
- Diaper services
- Dietary and fiber supplements
- Electrolysis or hair removal
- Eye drops for general comfort
- Funeral, cremation & burial expenses
- Gasoline
- Health club or athletic club membership dues
- Hygiene products
- Marriage counseling
- Maternity clothes
- Medicare premiums (*except Medicare supplement premiums for retirees*)
- Most insurance premiums
- Nutritional supplements and vitamins
- Over-the-counter medications not prescribed by your doctor
- Safety glasses and sunglasses (*non-prescription*)
- Swimming lessons
- Teeth whitening
- Weight-loss programs (*unless prescribed to treat a specific disease*)



HSA INTEREST RATE & INVESTMENT OPTIONS



A Health Savings Account (HSA) lets you save money tax-free to pay for health care expenses not covered by insurance. If you do not use all of your HSA funds, they carry over year-to-year without forfeiture. The money is yours, even if you leave the It's Your Choice (IYC) High-Deductible Health Plan (HDHP) or state service.

Not only do you save on taxes, but your HSA dollars can grow over time, especially if you decide to compound your funds. The amount you save depends on how you choose to use your HSA funds.

Building Your Nest Egg

- Funds in your HSA account will earn interest over time.
- Once your balance reaches \$2,000, you may invest funds (in \$100 increments) above that level in a variety of HSA investment options with varying levels of related risk and returns.



Triple Tax Advantage

HSAs offer a triple tax advantage by making the following tax free:

- Contributions
- Distributions
- Investment earnings

Health Savings Account Interest Rate Disclosure

HSA balances are initially invested in an FDIC insured interest-bearing account with HealthcareBank, a division of Bell State Bank & Trust, as custodian for your HSA.

HealthcareBank uses the daily balance method to calculate interest on your HSA. This method applies a daily periodic rate to the principal balance in your HSA each day.

The following interest rate and Annual Percentage Yield (APY) apply and are effective as of November 1, 2015.

Health Savings Account Balance	Interest Rate	Annual Percentage Yield (APY)
Less than \$2,000	0.05%	0.00% - 0.05%
\$2,000 - \$4,999.99	0.10%	0.05% - 0.08%
\$5,000 - \$9,999.99	0.25%	0.08% - 0.17%
\$10,000 - \$24,999.99	0.35%	0.17% - 0.28%
\$25,000 or more	0.50%	0.28% - 0.50%

To find more information on interest rate and HSA investment options, visit the TASC website and click on the HSA Participant Guide.

- Interest rates will be paid for the portion of your daily balance within each tier.
- The interest rate and APY may change at HealthcareBank's discretion, at any time.
- Interest begins to accrue no later than the business day HealthcareBank receives credit in your HSA for the deposit of non-cash items (for example, checks).
- Interest is compounded and credited to your HSA monthly.
- If you close your HSA before interest is credited, you will not receive the accrued interest for that month.

HSA Investment Account

A unique aspect of an HSA is the ability to invest some of your savings, which may potentially increase the value of your account for retirement. In order to invest your HSA funds, you **must** set up an HSA Investment Account. See the HSA Participant Guide at <https://partners.tasconline.com/ETFEMPLOYEE> or your TASC Online Tools & Resources for more details. Also see the next page for HSA Investment Option offerings.

If you do not elect to participate in the investment option, the funds will remain in your HSA earning interest at the rate detailed above. For the most current rates and investment options, visit your TASC Online Account. Mutual funds are not FDIC insured.



HSA Investment Options

INTEREST BEARING OPTION

Fund Name	Category	Annual Percentage Rate	Annual Percentage Yield (APY)	Rate Effective
HealthcareBank Interest Bearing Account FDIC Insured – Bank Guaranteed	Cash Equivalent	0.20%	0.20%	June 1, 2012

MUTUAL FUND OPTIONS

Fund Name	Category	Symbol	YTD	3 Year Return	5 Year Return	10 Year Return	Expense Ratio
Mutual Fund Returns as of August 31, 2017							
James Balanced: Golden Rainbow	Conservative Allocation	GLRBX	1.53%	1.60%	5.42%	5.57%	0.97
T. Rowe Price Capital Appreciation	Moderate Allocation	PACLX	10.72%	9.10%	12.12%	8.26%	1.00
Ivy Asset Strategy	World Allocation	WASAX	10.55%	-2.90%	4.06%	4.37%	1.12
Vanguard 500 Index	Large Blend	VFIND	11.82%	9.39%	14.17%	7.49%	0.14
American Funds Growth Fund of America	Large Growth	GFAFX	16.04%	10.05%	15.37%	7.62%	0.71
Vanguard Mid Cap Index	Mid-Cap Blend	VIMSX	10.30%	7.61%	14.20%	7.87%	0.18
JPMorgan Market Expansion Enh Idx	Mid-Cap Blend	OMEAX	3.51%	8.26%	14.17%	8.16%	0.98
Neuberger Berman Mid Cap Growth	Mid-Cap Growth	NMGAX	13.95%	7.82%	11.64%	6.97%	1.12
Vanguard Small Cap Index	Small Blend	NAESX	5.84%	6.77%	13.42%	8.20%	0.18
Vanguard Small Cap Growth Index	Small Growth	VISGX	10.97%	6.27%	12.36%	8.20%	0.19
Northern Small Cap Value	Small Value	NOSGX	-1.87%	7.53%	13.04%	7.69%	1.14
Vanguard Total International Stock Index	Foreign Large Blend	VGTSX	14.72%	1.28%	7.60%	1.13%	0.18
American Funds Europacific Growth	Foreign Large Growth	AEGFX	23.67%	5.59%	9.57%	3.78%	0.87
Fidelity Advisor Diversified International	International	FDVAX	19.76%	4.90%	9.90%	2.15%	1.23
Vanguard Emerging Market Stock Index	Diversified Emerging Markets	VEIEX	24.43%	1.57%	4.66%	1.93%	0.32
Vanguard Total World Stock Index	World Stock	VTWSX	15.08%	5.88%	10.82%	N/A	0.21
Nuveen Real Estate Securities	Real Estate	FREAX	3.47%	6.98%	8.71%	6.86%	1.30
Templeton Global Bond	World Bond	TPINX	2.72%	0.62%	2.87%	6.39%	0.99
Vanguard Intermediate Term Bond Index	Intermediate-Term Bond	VBIIIX	4.59%	3.09%	2.48%	5.51%	0.15
PIMCO Total Return	Intermediate-Term Bond	PTRAX	5.12%	2.73%	2.41%	5.59%	0.76
Vanguard Total Bond Market Index	Core Bond	VBMFX	3.62%	2.45%	1.99%	4.24%	0.15

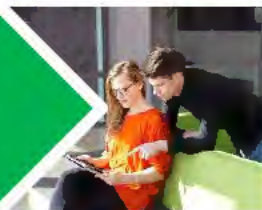
Not FDIC Insured – No Bank Guarantee – May Lose Value – See TASC Online Account for Current Rates and Investment Options

*This bank acts solely as custodian with any mutual funds being offered and sold through a registered broker-dealer by prospectus only. Past performance of investments is no indication or assurance of future performance. As with all investments, mutual funds involve risk. The investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Read the prospectus carefully before you invest. Some funds have a redemption fee under certain circumstances.



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email customercare@tasconline.com 7

HOW TO ENROLL



Annual It's Your Choice Open Enrollment Period: October 2 – October 27, 2017

2018 Benefit Period: January 1 – December 31, 2018

Enroll During It's Your Choice

- Visit www.etf.wi.gov/IYC2018 for It's Your Choice Open enrollment information.
- You have **three ways** to enroll during the It's Your Choice Open Enrollment Period:
 - Online
 - Paper
 - Telephone
- You can request a paper application from your payroll or benefits office, or download a copy from the TASC or ETF website.
- Your election will be effective January 1, 2018.
- **Note:** If you are already enrolled in a Health Savings Account (HSA), you **must** re-enroll each year to continue participation. Enrollments do not carry forward from year to year.

If You Are a Newly Hired Employee

- If you are electing to enroll in an HSA, you must enroll within 30 days of your date of hire (in an eligible position), or first eligible appointment.
- Coverage will be effective on the first of the month on or following your eligibility date.
- For more information and enrollment instructions, contact your human resources/benefit office.

If You Have Experienced a Qualifying Life Event

- If you experience a qualified life change event, such as a marriage or divorce, birth or adoption of a child, a change in employment status, or another qualified life change event, you may have the opportunity to enroll or change your coverage outside of the open enrollment period.
- There are various rules related to life change events. You must enroll or make changes within 30 days from the date of the qualifying event.
- Contact your human resources/benefit office for more information on qualifying events, to see what your options are, how to enroll, and how to make a change.

Following Enrollment

Once you have enrolled in the HSA, TASC will send these items to you:

HSA Welcome Brochure

- The HSA Welcome Brochure will provide you with information on how to manage your HSA.
- Follow the instructions to set-up your TASC Online account.
 - **Note:** Don't forget to update your TASC Online username and password!
- Use your online account to check your balance, make additional contributions, transfer funds to an investment account, or request a distribution.

State of Wisconsin & STAR State Employees

- State of Wisconsin, Courts, and Legislature employees who are paid through the STAR System should log in to STAR at <https://ess.wi.gov> to make all benefits elections during the annual It's Your Choice period. Contact your agency payroll and benefits staff with any enrollment questions.

UW System Employees

- Enrollments are done directly through the UW, **not** the TASC portal/website or by telephone.
- UW System employees should refer to www.wisconsin.edu/ohrwd/benefits or contact your UW institution human resources department for enrollment instructions for 2017.

WEDC Employees

- Enrollments are done directly through WEDC, not the TASC portal/website.
- WEDC employees should refer to OneLogin>Kronos>My Account>My Benefits>Review/Select Benefits or contact WEDC human resources for enrollment instructions for the 2018 plan year.

TASC Card

- Your TASC Card allows you to conveniently pay for eligible medical expenses.
- Be sure to review the Cardholder Agreement affixed to the card and sign the back of the card.
- Your TASC Card will automatically activate with first use.
- **Note:** If you are a current TASC participant, you will **not** be issued a new TASC Card. You will continue to use your current TASC Card.



Enroll with TASC Online

1. Determine desired annual contribution amount.
 - a. See page 11 of this HSA Enrollment Brochure for HSA Annual Expense Estimate Worksheet.
2. Go to the **TASC Online** website:

<http://partners.tasconline.com/ETFemployee>

- a. If you are a **new TASC Participant**, enter a temporary TASC username. This is your first initial, last name, date of birth (mmddyy), and the last four digits of your Social Security Number (SSN).
 - For example: JSmith0101771234
 - b. If you are a **current TASC participant**, enter your current TASC username and password.
 - If you do not remember your username or password, click **Forgot Username or Password** and follow the reset steps provided.
3. Once **logged in** to your TASC Online Account, click **Enroll Now**.
 4. In the **Enrollment** pop-up menu, select the **radial button** which correlates to the plan type in which you wish to enroll – HSA or ERA.
 - a. To enroll in the HSA, select the first radial button.
 - b. **Note:** There are only two radial button options. All five ERA program offerings correlate to the second radial button.
 - c. If you are planning to enroll in an ERA program, you will need to repeat the enrollment process from this screen forward.
 - d. Click **Continue**.
 5. Review plan details and HSA qualifications to ensure you are eligible for the HSA.
 - a. Click **Next**
 6. Click read and agree to the Custodial Agreement and Disclosure Statement, Electronic Disclosure, and Important Information on Patriot Act Requirements. You must view and agree to all three agreements.
 - a. Click the check box to acknowledge you have read and agreed to each agreement.
 - b. Click **Next**.
 7. Enter your **information**.
 - a. You will be required to enter your SSN.
 - b. We recommend adding your personal email address.
 - c. Click **Next**.
 8. If applicable, add your **dependent(s)**.
 - a. Enter all required dependent demographic information.
 - b. Click **Add Dependent**.

Reminder: If you are a UW System employee, a WEDC employee, or a State of Wisconsin, Courts, or Legislature employee paid through the STAR system, **do not** enroll via TASC Online or by phone. See the prior page for enrollment details.

- c. Your dependent(s) will be displayed on the My Dependents list.
 - d. Click **Next**.
9. **Review** the Health Savings Account Qualification information and ensure that you qualify for the HSA.
 - a. If you qualify, click the checkbox to certify that you meet the qualifications to open an HSA.
 - b. If you do not qualify, click **Cancel**.
 10. Under Qualifying Health Plan Coverage, **choose** your High Deductible Health Plan Coverage Level from the drop-down menu – Individual or Family.
 - a. **Note:** The coverage level of your HDHP will determine the maximum allowable contribution to your HSA.
 - b. Click **Next**.
 11. Enter your desired **deduction** per pay period.
 - a. Click **Calculate Totals** to display your total annual election and employer contributions.
 - b. **Note:** Contributions from all sources combined, such as employee, employer, and third parties (i.e., parent or spouse), must **not** exceed the annual IRS limit.
 - c. Click **Next**.
 12. Select your reimbursement **Payment Method**.
 - a. You will automatically be enrolled to receive a TASC Card (aka Benny Debit Card).
 - b. Select your preferred method to receive reimbursements for claims filed online.
 - c. If you elect direct deposit, you will need to enter your bank information.
 - d. Click **Next**.
 13. Add your **beneficiaries**.
 - a. Select your desired beneficiaries from your list of dependents to prefill their information.
 - b. Click **Add Beneficiary**.
 - c. When you are ready to proceed, click **Next**.
 14. **Verify, submit and print**.
 - a. Carefully review each section on the **Enrollment Verification** page and verify that your enrollment information is correct.
 - b. If any changes are required, click **Edit Information**.
 - c. When you have verified that everything is correct, **print** a copy of the Enrollment Verification page for your records.
 - d. Click **Submit** to complete your enrollment.
 15. Check your **email** for an enrollment confirmation message from TASC.



Enroll by Telephone

- Contact TASC Customer Care at 1-844-786-3947 or 608-316-2408.
- One of TASC's friendly and knowledgeable Customer Service Representatives will assist you.
- TASC Customer Care is open Monday through Friday, 8:00 a.m. to 5:00 p.m.

Enroll by Paper

- Request a paper application from your human resources/benefit office, or download a copy from the ETF or TASC website.
- Submit a completed TASC HSA Enrollment Form to your human resources/benefit office.

Identification Verification Failure Notification

Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an HSA. This process will occur automatically upon your enrollment. If your identity cannot be verified, you will be notified of the identity verification failure via secure email. The email notification will provide required actions to resolve the matter. If you receive this notification, please provide the requested information within 30 days (via email or fax). If you do not respond within 90 days, your HSA will be deactivated. To be eligible for a It's Your Choice (IYC) High-Deductible Health Plan (HDHP), you must be enrolled in an HSA. If your HSA is deactivated, you will no longer be eligible for an IYC HDHP.

Managing Your Account



The greater control and tax benefits provided by your HSA includes the additional responsibility to track, manage, and monitor your health care and related expenses. Taking these few important steps can help you make the most of your HSA, today and for years to come.

Your Responsibilities

- Maintain qualified IYC HDHP enrollment along with your HSA.
- Notify your human resource/benefits office of any other health care coverage when enrolling in, and at any point while enrolled in, the IYC HDHP and HSA.
- Regularly review your TASC Online account.
- Monitor your contributions and ensure you do not exceed the maximum annual limit.
- Keep all your receipts and pertinent documentation, including fax confirmation sheets, to verify that your HSA funds were used on eligible health care expenses.
- Submit requests for distribution during the same plan year in which the expense was incurred.
- You can only be reimbursed for eligible expenses incurred after your HSA was established.
- Watch for your annual tax forms.
- Update your contact information as necessary.
- Adhere to the plan rules for expense reimbursements:
 - Only use HSA funds for eligible health care expenses.
 - Only use HSA funds for eligible dependents.
 - Only submit claims for expenses incurred after you established your HSA.
 - Do not submit HSA expenses under any other benefit plan or submit claims as part of an income tax deduction.

Helpful Hints

- **Re-Enrollment** – You must re-enroll each year to continue participation. Elections do not carry forward from year to year.
- **Carryover** – All unused HSA funds carryover year-to-year without forfeiture.
- **Requests for Distribution** – File requests for distribution in a timely manner.
 - Do not resubmit a request.
 - If you have not received an expected distribution, please check your TASC Online account.
- **Monitor Your Account** – Regularly check your TASC Online account. Keep your personal and beneficiary information up to date.

Tax Information

- HealthCareBank will provide you with the following informational tax statements:
 - Form 1099 SA - Received by January 31.
 - Form 5498 SA - Received by May 31.
- Year-end tax forms are only available online. You will not be sent a hard copy. You will receive an email notification when Forms 1099 SA and 5498 SA are available to view.

Reminder: You must notify your human resources/benefits office of any other health care coverage when enrolling in, and at any point while enrolled in, the HDHP and HSA.



HEALTH SAVINGS ACCOUNT ANNUAL EXPENSE ESTIMATE WORKSHEET

	Actual Expenses Last Year	Estimated Expenses New Year
High-Deductible Health Plan		
<i>Expenses toward plan deductible</i>		
Prescriptions	\$ _____	\$ _____
Physician visits	\$ _____	\$ _____
Hospital	\$ _____	\$ _____
Laboratory/testing	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Miscellaneous Health Expenses <u>Not</u> Covered by Insurance		
Over-the-counter medication	\$ _____	\$ _____
Other: _____	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Dental Expenses		
Dental visits	\$ _____	\$ _____
Fillings	\$ _____	\$ _____
Major work (root canals, crowns, dentures, etc.)	\$ _____	\$ _____
Orthodontia (braces)	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Vision Expenses		
Eye examination	\$ _____	\$ _____
Eyeglasses	\$ _____	\$ _____
Contact lenses and solution	\$ _____	\$ _____
LASIK surgery	\$ _____	\$ _____
Other: _____	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Hearing Expenses		
Hearing examination	\$ _____	\$ _____
Hearing aid	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Miscellaneous Dental, Vision, and Hearing Expenses <u>Not</u> Covered by Insurance		
Over-the-counter medication	\$ _____	\$ _____
Other: _____	\$ _____	\$ _____
Subtotal:	\$ _____	\$ _____
Additional Contribution to Maximize Annual Savings		
	\$ _____	\$ _____
Total Annual Amounts*:	\$ _____	\$ _____

*Cannot exceed IRS annual maximum individual HSA contribution limit of \$3,450 or family HSA contribution limit of \$6,850.

Contributions will be deducted equally across annual pay periods – Biweekly: 24 pay periods | 12-Month: 12 pay periods | 9-Month: 9 pay periods



TASC TOOLS



TASC CARD

TASC Online Account

TASC Benefits Mobile App

- Access your Health Savings Account (HSA) funds wherever you are – just swipe to pay for eligible HSA medical expenses.
- A great alternative to submitting paper requests for distribution.
- Automatic verification of most eligible expenses.
- Instant access to your account information and account balance 24/7.
- Easy access to your contribution and distribution histories.
- Access helpful online tools, like tax savings calculators, health care expense tables, and more.
- Self-service feature available, such as signing up for direct deposit, ordering additional TASC cards, reviewing your investment rates and options, and managing your notifications.
- Access your account information and account balance – no matter where you are!
- Submit contribution and distribution requests by taking pictures of your receipts with your mobile device camera.
- Download the TASC Mobile App is available for Apple and Android phones – just search for “**eflex Benefits**” in the iOS App Store or Android Marketplace.



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email 1customer@tasconline.com

Discrimination is Against the Law 45 C.F.R. § 92.8(b)(1) & (d)(1) Total Administrative Services Corporation complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. TASC does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

TASC provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats.

TASC provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact TASC's Civil Rights Coordinator.

If you believe that TASC has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Civil Rights Coordinator, 2302 International Way, Madison, WI 53704; Phone: 1-808-316-2408; Fax: 1-877-231-1287; Email: CivilRightsCoordinator@tasconline.com.

You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, TASC's Civil Rights Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-888-1019, 800-537-7697 (TDD).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-808-316-2408.

LUS CEEF: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

注意: 如果您使用繁體中文，您可以免費獲得語音輔助服務。請致電 1-877-533-5020 (TTY: 1-800-833-7813)。

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-877-533-5020 (TTY: 1-800-947-3529).

رقم معلومات: 1-800-947-3529 (TTY: 1-877-533-5020) وخدمة العملاء: 1-877-533-5020 (TTY: 1-800-947-3529).

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-877-533-5020 (телефакс: 1-800-947-3529).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-877-533-5020 (TTY: 1-800-947-3529) 번으로 전화해 주십시오.

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-877-533-5020 (TTY: 1-800-947-3529).

Wann du [Deutsch (Pennsylvania German / Dutch)] schwetzscht, kantscht du mitas Koschte ebber gricke, ass dihr helft mit die englisch Schprooch. Ruf selli Nummer uff: Call 1-877-533-5020 (TTY: 1-800-947-3529).

ໄປດຊາວ: ຖ້າວ່າທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໄດ້ຮັບຮັບຮຽນ, ແລະມີພ້ອມໄວ້ທ່ານ. ໂທ 1-877-533-5020 (TTY: 1-800-947-3529).

ATTENTION: Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-877-533-5020 (ATS: 1-800-947-3529).

UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń numer 1-877-533-5020 (TTY: 1-800-947-3529).

ध्यान दें: यदि आप हिंदी बोलते हैं तो आपके लिए मुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 1-877-533-5020 (TTY: 1-800-947-3529) पर कॉल करें।

KUJDES: Nëse fletni shqip, për ju ka në dispozicion shërbime të asistencës gjuhësore, papagesë. Telefononi në 1-877-533-5020 (TTY: 1-800-947-3529).

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-877-533-5020 (TTY: 1-800-947-3529).

After enrollment, don't forget to:

- Set-up your TASC Online Account.
- Check your email for a link to the HSA Welcome Brochure.
- Check your mail for your TASC Card and Cardholder Agreement.



**It's Your Choice
Open Enrollment Period**

October 2 – 27, 2017



HEALTH SAVINGS ACCOUNT(HSA) DISTRIBUTION REQUEST FORM

Instructions

1. Use this form to request a distribution from your HSA for one of the reasons indicated below. **For death distributions, complete the Death Distribution Request Form.**
2. Fax the completed form to **1-877-231-1287** or forward it to:
TASC (TPA)
PO Box 7511
Madison, WI 53707-7511
3. If you have any questions regarding distributions from your HSA, please call **1-844-786-3947**.

Accountholder Information

Last Name	First Name	Middle Initial
Social Security Number		
Employee ID and Employer (if applicable)		

I direct TPA to make a distribution from my HSA for the following reason (choose only **one** reason per form):

Normal/Disability/Prohibited Transaction Distribution

- ☐ Normal – For payment of qualified medical expenses; save your receipts
- ☐ Disability – If the disability renders you unable to engage in any substantial gainful activity and it is medically determined that the condition will last continuously for at least 12 months or lead to your death. Disability distributions are subject to ordinary income tax.
- ☐ Prohibited Transaction – use of HSA funds for anything other than a qualified medical expense; if not corrected in a timely manner, IRS penalties may be imposed.

Amount of Distribution \$ _____

Excess Contribution Removal

- ☐ Excess Contribution Removal
- Amount of excess contribution \$ _____
- Date excess contribution occurred _____

Rollover/Transfer

If I am requesting account closure, I authorize the TPA to liquidate the investments in my HSA Investment Account and wait 10 days to allow any outstanding debit card transaction (if debit card is applicable to my account) to settle before mailing the check for any remaining account balance, less any applicable account closing fee.

- ☐ Rollover – Check will be made payable to HSA Accountholder and mailed to your address on file.

Please liquidate ☐ my entire account balance or ☐ \$ _____

This rollover ☐ will / ☐ will not close my HSA account (please check one).

The IRS Code limits the number of rollovers that may be taken, how quickly rollovers must be completed and how the trustee or custodian must report the transaction. If you need additional information, please contact your tax advisor. By selecting this option, you are certifying to the bank that you have satisfied the rules and conditions applicable to your rollover and that you are making an irrevocable election to treat the transaction as a rollover. The funds you receive from the distribution of an HSA must be deposited into another HSA within 60 days from when you receive them. You are entitled to one distribution per year per HSA which may be rolled over. You are entitled to roll over the same assets only once in a twelve (12) month period.

- ☐ Transfer – Check will be made payable to the receiving Administrator/Trustee/Custodian for the benefit of the HSA Accountholder and mailed to the address you provide below. It is the HSA Accountholder's responsibility to forward the check to the new Administrator/Trustee/Custodian.

Please liquidate ☐ my entire account balance or ☐ \$ _____

This transfer ☐ will / ☐ will not close my HSA account (please check one).

Name of Receiving Administrator/Trustee/Custodian _____

Address of Receiving Administrator/Trustee/Custodian _____

Signature

I certify that I am the HSA Accountholder or an individual authorized to execute this transaction. I have read and understand the instructions and any rules or conditions relating to this transaction. I assume full responsibility for this transaction and will not hold TPA or Healthcare Bank liable for any adverse consequences that may result. I have not received tax or legal advice from TPA or Healthcare Bank and, if necessary, will seek the advice of a tax or legal professional to ensure my compliance with related laws. All information provided by me is true and correct and may be relied upon TPA and Healthcare Bank.

Signature of HSA Accountholder _____

Date _____

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.

LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).

SW-5504-010617



HEALTH SAVINGS ACCOUNT (HSA) CONTRIBUTION CHANGE FORM

Instructions

1. Complete and sign the form, and obtain a signature from your Employer,
2. Return the completed form to your Payroll/Benefits Office to update your contributions and submit to TASC.
3. For any questions regarding this form, please call **1-844-786-3947**.

Accountholder Information

Last Name	First Name	Middle Initial
<hr/>		
Social Security Number	Employer Name	
<hr/>		

Change Current Election

☐ I want to change my HSA Plan contributions effective (MM/DD/YYYY): _____

Existing Contribution: \$ _____ Deduction per Pay Period: \$ _____

New Contribution: \$ _____ **Deduction per Pay Period:** \$ _____

Change will become effective on this Pay Date: _____

I authorize my employer to deduct my new HSA election shown above from my pay and forward the funds to my HSA.

Signature of Account Holder

Date

Signature of Employer

Date

ENROLLMENT



State of Wisconsin

EMPLOYEE REIMBURSEMENT ACCOUNTS

2018





WELCOME

Save up to 30% on health care, dependent day care, transit and/or parking expenses with an Employee Reimbursement Account (ERA)!

It's Your Choice Open Enrollment

- Annual It's Your Choice Open Enrollment Period: **October 2 – October 27, 2017**
- 2018 Benefit Period: **January 1 – December 31, 2018**
- **Note:** You must re-enroll in ERAs each year. Enrollments do not carry forward from year to year.

New Employee Enrollment

If you are electing to enroll in an ERA, you must enroll within 30 days of your date of hire (in an eligible position), or first eligible appointment. Coverage will be effective the first of the month on or following your eligibility date.

Qualified Life Change Event

If you experience a qualified life change event, such as a marriage or divorce, birth or adoption of a child, a change in employment status, or another qualified life change event, you may have the opportunity to enroll or change your coverage outside of the open enrollment period. There are various rules related to life change events. Changes due to a qualifying life change event must be made within 30 days from the date of the event.

Important Program Information

Expense Deadline – You must incur and substantiate all eligible expenses by December 31 of the applicable plan year.

Re-Enrollment – You must re-enroll each year to continue participation. Enrollments do not carry forward from year to year. If you do not enroll during open enrollment or within thirty days of a qualified life change event, you will not be able to enroll until the next plan year's open enrollment or you experience a qualified life change event.

Claims Deadline – You must submit all reimbursement requests by March 31 following the close of the applicable plan year.

Carryover – Any unused Health Care Flexible Spending Account (FSA) or Limited Purpose FSA (LPFSA) funds over \$500 at the close of the plan year are not refundable. Any unused Dependent Day Care FSA funds at the close of the plan year will be forfeited. All unused Transit Account and Parking Account funds carry over into the next plan year.

Important Program Changes for 2018

ERA Contribution Limits

- The annual Health Care FSA contribution limit will increase by \$50, from \$2,550 to \$2,600.
- The annual Limited Purpose FSA contribution limit will increase by \$50, from \$2,550 to \$2,600.

ERA Payroll Processing

- Contributions for all ERA programs will be distributed evenly over the course of the year, in accordance with your payroll schedule.
- Biweekly: 24 pay periods | Monthly: 12 pay periods | 9-Month: 9 pay periods

We look
forward to
meeting your
ERA needs!

TASC Customer Care

Phone	844-786-3947 or 608-316-2408 Monday – Friday, 8:00 a.m. to 5:00 p.m.
Online	https://partners.tasconline.com/ETFEmployee
Email	1customercare@tasconline.com
Mail	P.O. Box 7511 Madison, WI 53707
Fax	877-231-1287



ERA OVERVIEW



Save on a wide variety of everyday medical, dental, vision, daycare, parking and transit expenses with an Employee Reimbursement Account (ERA), also known as a Flexible Spending Account (FSA). It's a tax break that's simple to use!

Employee Reimbursement Accounts



Health Care FSA

With a Health Care FSA, you may set aside, for yourself and your tax dependents, tax-free dollars each year for eligible health care expenses not covered by insurance.



Limited Purpose FSA (LPFSA)

The LPFSA is an account you are eligible for if you enroll in a High-Deductible Health Plan (HDHP) and participate in a Health Savings Account (HSA). It allows you to set aside additional money tax-free for certain dental, vision, and post-deductible medical expenses.



Dependent Day Care FSA

With a Dependent Day Care FSA, pre-tax dollars may be used for day care or elder care expenses for eligible dependents allowing you (or your spouse, if married) to work, look for work or attend school full time.



Parking Account

A Parking Account allows you to pay for eligible work-related parking expenses with pre-tax dollars. You can enroll and make changes anytime during the year.



Transit Account

With a Transit Account, pre-tax dollars can be used to pay for eligible transit expenses related to your commute to work. You can enroll and make changes anytime during the year.

Annual Contribution Limits

ERA Pre-Tax Savings Programs	2018	2017
Health Care FSA Contribution Limit	\$2,600	\$2,550
Health Care FSA Carryover Limit	\$500	\$500
Limited Purpose FSA Contribution Limit	\$2,600	\$2,550
Limited Purpose FSA Carryover Limit	\$500	\$500
Dependent Day Care FSA Contribution Limit	\$5,000	\$5,000
Dependent Day Care FSA Carryover Limit	\$0	\$0
Transit Account Contribution Limit	\$130/month*	\$130/month*
Transit Account Carryover Limit	Unlimited	Unlimited
Parking Account Contribution Limit	\$255/month	\$255/month
Parking Account Carryover Limit	Unlimited	Unlimited

*Contributions of \$130 are pre-tax State and Federal. Employees may contribute up to \$255 – however, contributions over \$130 up to \$255 would be pre-tax Federal and post-tax State.

Pre-Tax Savings Example

	Without FSA	With FSA
Gross Monthly Pay:	\$3,500	\$3,500
Pre-Tax Contributions	\$3,500	\$3,500
Medical/Dental Premiums	\$0	-\$125
Medical Expenses	\$0	-\$75
Dependent Care Expenses	\$0	-\$400
Pre-Tax Savings Total:	\$0	-\$600
Taxable Monthly Income	\$3,500	\$2,900
Taxes (Fed., State, FIC):	-\$968	-\$802
Post-Tax Expenses:	-\$600	\$0
Monthly Post-Tax Total:	\$1,932	\$2,098

Net Increase in Take-Home Pay: \$166/month!

For illustration only. Actual dollar amounts may vary.

How ERA Plans Work

When you enroll in an ERA, you determine the dollar amount you want to contribute to each account based on your estimated expenses for the upcoming plan year – January 1 to December 31, 2018. Your contributions will be deducted in equal amounts from each paycheck, pre-tax, throughout the Plan Year.

The more you contribute to your ERA accounts, the more you reduce your taxable gross salary. When you pay less in taxes, your take-home pay increases!



HEALTH CARE FSA



A Health Care Flexible Spending Account (FSA) allows you to set aside tax-free dollars each year for health care expenses not covered by insurance. You may use these funds to pay for eligible health care expenses incurred by you, your spouse, and your qualified dependents.*

What are the benefits?

- Pre-tax contributions reduce your taxable income.
- Easiest way to pay for out-of-pocket eligible health care expenses with tax-free money.
- Your total annual Health Care FSA contribution amount is available immediately at the start of the plan year.
- You can carry over up to \$500 remaining in your account from one plan year to the next, so there is minimal "use-it or lose-it" risk.
- Multiple self-service tools available to easily manage your TASC Account and TASC Card transactions.

How does it work?

- Use the tax-savings calculator or annual expense estimate worksheet to help determine how much you should contribute per year.
- Your annual contribution is deducted pre-tax from your paycheck in equal amounts throughout the plan year and deposited into your TASC Account.
- As eligible health care expenses are incurred, you can either use your TASC Card to pay at the point of purchase or submit a request for reimbursement.
- Manage your account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>.

Enrollment Eligibility

- Most full-time or part-time state and UW employees are eligible to participate in a Health Care FSA.
- **Note:** Employees who are classified as fellows, scholars, and research assistants in the UW System, as well as limited term employees, student hourlies, per diems, and other temporary employees are **not** eligible.
- **Note:** Employees who are enrolled in a High Deductible Health Plan (HDHP) are **not** eligible. If you are enrolled in an HDHP, see the Health Savings Account Enrollment Brochure and Limited Purpose Flexible Spending Account information on pages 6 and 7 for benefit options.

Important Considerations

- The It's Your Choice Health Plan imposes an annual deductible of \$250 individual/ \$500 family, office visit copays and an annual out-of-pocket limit of \$1,250 individual/ \$2,500 family on most illness or injury related services in-network. These expenses can be reimbursed through this account.
- Remaining Health Care FSA funds over \$500 do **not** carry over. It is important to be conservative in making elections because any unused funds over \$500 left in your Health Care FSA at the close of the plan year are not refundable to you.
- It is a participant's responsibility to read and adhere to the ERA terms and conditions. By accepting and using your TASC Card, you agree to the Cardholder Agreement. You are obligated to satisfy any documentation requirements and to retain those documents and records for tax purposes or in the event of an IRS audit. Refer to the TASC Card Section of the Employee Reimbursement Account (ERA) Participant Guide for more information.
- You may change your Health Care FSA elections during the plan year only if you experience a qualified life change event, such as, a marriage or divorce, birth or adoption of a child, or a change in employment status. Refer to the Change in Status During the Year Section in the ERA Participant Guide for more information.

Annual Health Care FSA Limits	2018	2017
Individual Health Care FSA Limit	\$2,600	\$2,550
Annual Health Care FSA Carryover Max	\$500	\$500

This is the amount the Internal Revenue Service (IRS) allows to be contributed to a Health Care FSA.

*Refer to the Health Care FSA – Qualified Dependents Section of the ERA Participant Guide for more information.



Annual Health Care FSA Contribution Limits

Note: The \$2,600 contribution limit applies on an employee-by-employee basis. Thus, \$2,600 is the limit each employee may make per plan year, regardless of the number of other individuals (spouse, dependent, etc.) whose medical expenses are reimbursable under the employee's Health Care FSA. If two spouses are eligible for a Health Care FSA, each spouse may elect to make contributions of up to \$2,600 to his or her Health Care FSA, even if both participate in the same Health Care FSA sponsored by the same employer.



Eligible Health Care FSA Medical Expenses

Below is a partial list of eligible expenses that are reimbursable through a Health Care FSA. Eligible expenses can be incurred by you, your spouse, or qualified dependents. For more information, see your ERA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

Medical Expenses

- Acupuncture
- Ambulance services
- Birth control/contraceptive devices
- Birth classes/Lamaze¹
- Blood pressure monitor
- Blood sugar test kits/test strips
- Chiropractic therapy/exams/adjustments
- Co-payments
- Crutches¹
- Flu shots
- Hearing aids and batteries¹
- Incontinence supplies
- Insulin and diabetic supplies
- Infertility treatments
- Laboratory fees
- Lactation expenses
- Legal sterilization
- Physical exams
- Physical therapy¹
- Sleep apnea services/products¹
- Smoking cessation programs
- Treatment for alcohol or drug dependency
- Vaccinations
- Wrist supports/elastic straps
- X-ray fees

Dental Expenses

- Cleanings and exams
- Crowns and bridges
- Dental plan co-pays
- Dental surgery
- Dental x-rays
- Dentures
- Diagnostic services
- Fillings
- Orthodontia
- Root canals

Vision Expenses

- Contact lenses and lens solution
- Diagnostic services
- Eye exams
- Eye surgery
- Laser eye surgery/LASIK
- Optometrist/ophthalmologist fees
- Prescription eyeglasses and sunglasses
- Seeing eye dog (*buying, training, and maintaining*)
- Vision plan co-insurance
- Vision plan deductible

OTC Medicines and Drugs

Over-the-counter (OTC) medicines and drugs, except for insulin, require a prescription from your physician to be reimbursable with your Health Care FSA. The prescription must be included with each request for reimbursement.

- Antihistamines
- Cold medicines
- Diaper rash ointments
- First Aid supplies
- Hemorrhoid treatments
- Nicotine patches
- Pain relievers
- Sinus medications
- Yeast infection medications

1: Restrictions may apply. See IRS Publication 502 for more details.

Ineligible Health Care FSA Expenses

Note: If you pay for anything other than eligible expenses with your Health Care FSA, the amount will be taxable, and you will be required to repay the amount or pay an additional tax penalty. Below is a partial list of ineligible expenses. For more information, see your ERA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

- Athletic mouth guards
- Contributions to state disability funds
- Cosmetic supplies (*makeup, cleansers, moisturizers, etc.*)
- Cosmetic surgery (*unless due to trauma or disease*)
- Dental floss
- Diaper services
- Electrolysis or hair removal
- Eye drops for general comfort
- Funeral, cremation & burial expenses
- Gasoline
- Health club or athletic club membership dues
- Hygiene products
- Insurance premiums (*all types*)
- Marriage counseling
- Maternity clothes
- Medicare premiums
- Nutritional supplements and vitamins
- Sunglasses and sun clips (*non-prescription*)
- Safety classes (*non-prescription*)
- Swimming lessons
- Teeth whitening
- Toiletries
- Weight-loss programs (*unless prescribed to treat a specific disease*)

LIMITED PURPOSE FSA



A Limited Purpose Flexible Spending Account (LPFSA) is a pre-tax benefit used to pay for eligible dental, vision care, and post-deductible medical expenses for participants enrolled in a High-Deductible Health Plan (HDHP) and a Health Savings Account (HSA). You may use these funds to pay for eligible expenses incurred by you, your spouse, and your qualified dependents.*

What are the benefits?

- The LPFSA is used to pay for eligible vision and dental expenses that are not covered by your insurance.
- It can also be used to pay for eligible post-deductible medical expenses.
- Pre-tax contributions reduce your taxable income.
- Easiest way to pay for everyday out-of-pocket eligible dental, vision, and post-deductible medical expenses, with tax-free money.
- Your total annual LPFSA contribution amount is available immediately at the start of the plan year.
- You can carry over up to \$500 remaining in your account from one plan year to the next, so there is minimal "use-it or lose-it" risk.
- Multiple self-service tools available to easily manage your TASC Account and TASC Card transactions.

How does it work?

- The LPFSA is similar to the regular Health Care FSA but is designed to work in conjunction with your HDHP and HSA.
- Use our tax-savings calculator or annual expense estimate worksheet to help determine how much you should contribute per year.
- Your annual contribution is deducted pre-tax from your paycheck in equal amounts throughout the plan year and deposited into your TASC Account.
- As eligible expenses are incurred, you can either use your TASC Card to pay at the point of purchase or submit a request for reimbursement.
- Manage your account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>.

Enrollment Eligibility

- **To be eligible for a LPFSA, you must be enrolled in a qualified HDHP and participate in a HSA.**
- You must meet the eligibility criteria for a HDHP and HSA to enroll in an LPFSA.
- Employees who are **not** enrolled in an HDHP are **not** eligible for an LPFSA.
 - If you are **not** enrolled in an HDHP, see Health Care Flexible Spending Account information on pages 4 and 5 for benefit options.
 - The LPFSA cannot be paired with a Health Care FSA.
 - **Note:** Participation in the HSA and/or LPFSA has no bearing on participation in the Dependent Day Care FSA, Parking Account, or Transit Account.
- Most full-time or part-time state and UW employees are eligible to participate in an LPFSA.
- **Note:** Employees who are classified as fellows, scholars, and research assistants in the UW System, as well as limited term employees, student hourlies, per diems, and other temporary employees are **not** eligible.

Annual LPFSA Limits	2018	2017
LPFSA Contribution Limit	\$2,600	\$2,550
LPFSA Carryover Limit	\$500	\$500

This is the amount the Internal Revenue Service (IRS) allows to be contributed to a LPFSA.

*Refer to the LPFSA – Qualified Dependents Section of the ERA Participant guide for more information.



Annual LPFSA Contribution Limits

Note: The \$2,600 contribution limit applies on an employee-by-employee basis. Thus, \$2,600 is the limit each employee may make per plan year, regardless of the number of other individuals (spouse, dependent, etc.) whose medical expenses are reimbursable under the employee's LPFSA. If two spouses are eligible for a LPFSA, each spouse may elect to make contributions of up to \$2,600.



Important Considerations

- Keep in mind that the LPFSA can only be used to pay for eligible dental, vision, and post-deductible medical expenses.
- Post-deductible medical expenses must be submitted online via your TASC Online account.
- Remaining LPFSA funds over \$500 do not carry over. It is important to be conservative in making elections because any unused funds over \$500 left in your LPFSA at the close of the plan year are not refundable.
- It is a participant's responsibility to read and adhere to the ERA terms and conditions.
- By accepting and using your TASC Card, you agree to the Cardholder Agreement. You are obligated to satisfy any documentation requirements and to retain those documents and records for tax purposes or in the event of an IRS audit. Refer to the TASC Card Section in the ERA Participant Guide for more information.
- You may change your LPFSA elections during the plan year only if you experience a qualified life change event, such as, a marriage or divorce, birth or adoption of a child, or a change in employment status. Refer to the Change in Status During the Year Section in the ERA Participant Guide for more information.

Eligible Limited Purpose FSA Expenses

Below is a partial list of eligible expenses that are reimbursable through an LPFSA. Eligible expenses can be incurred by you, your spouse, or qualified dependents. For more information, see your Employee Reimbursement Account (ERA) Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

Dental Expenses

- Cleanings and exams
- Crowns and bridges
- Dental plan co-pays
- Dental plan co-insurance
- Dental plan deductibles
- Dental reconstruction and implants
- Dental surgery
- Dental x-rays
- Dentures
- Diagnostic services
- Fillings
- Occlusal guards
- Orthodontia
- Over-the-counter dental products that contain a drug or medication¹
- Root canals

Vision Expenses

- Contact lenses and lens solution
- Diagnostic services
- Eye exams
- Eye related equipment/materials/repair kits
- Eyeglasses (*over-the-counter and prescription*)
- Eye surgery
- Laser eye surgery/LASIK
- Optometrist/ophthalmologist fees
- Orthokeratology
- Over-the-counter vision products that contain a drug or medication¹
- Seeing eye dog (*buying, training, and maintaining*)
- Sunglasses (*prescription only*)
- Vision plan co-insurance
- Vision plan deductibles

¹: Over-the-counter dental and vision medications and drugs require a prescription to be LPFSA eligible. Restrictions may apply. See IRS Publications 502 and 969 for more details.

Note: After you meet your health plan's deductible, you may be reimbursed for all eligible medical expenses, such as co-payments, physical exams, and vaccinations. Reimbursements for post-deductible medical expenses must be submitted online. Expenses may be incurred by you, your spouse, or qualified dependents.

Ineligible LPFSA Expenses

Note: If you pay for anything other than eligible expenses with your LPFSA, the amount will be taxable, and you will be required to repay the amount or pay an additional tax penalty. Below is a partial list of ineligible expenses. For more information, see your ERA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 502 and 969.

- Elective cosmetic surgery
- Eye serums or wrinkle creams
- Insurance premiums
- Mouthwash
- Teeth bleaching/whitening
- Toothpaste and toothbrushes



DEPENDENT DAY CARE FSA



A Dependent Day Care Flexible Spending Account (FSA) is a pre-tax benefit used to pay for eligible day care expenses for qualified dependents in order for you (or your spouse) to work, look for work, or attend school full-time.

What are the benefits?

- Pre-tax contributions reduce your taxable income.
- Your Dependent Day Care FSA Funds become available to you as payroll deductions are taken.
- Easiest way to pay for everyday out-of-pocket eligible dependent day care and/or elder care expenses, with tax-free money.
- Multiple self-service tools available to easily manage your TASC Account and TASC Card transactions.
- Use your TASC Card to pay for eligible dependent day care expenses, or easily submit requests for reimbursement online.

How does it work?

- Use our tax-savings calculator or annual expense estimate worksheet to help determine how much you should contribute per year.
- Your annual contribution is deducted pre-tax from your paycheck in equal amounts throughout the plan year and deposited into your TASC Account.
- The Dependent Day Care FSA is a money-in money-out benefit. Each pay period a contribution posts to your account, after which you may submit reimbursement requests for eligible expenses.
- Manage your account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>

Enrollment Eligibility

- Most full-time or part-time state and UW employees are eligible to participate in a Dependent Day Care FSA.
- **Note:** Employees who are classified as fellows, scholars, and research assistants in the UW System, as well as limited term employees, student hourlies, per diems, and other temporary employees are **not** eligible.
- For a married individual to be eligible for the Dependent Day Care FSA, your spouse **must** be unable to provide dependent day care and/or elder care because he/she works full-time, is actively looking for work, enrolled in or attending school full-time, or physically/mentally incapable of self-care.

Important Considerations

- The Dependent Day Care FSA is not eligible for annual carryover. It is important to be conservative in making elections because any unused funds in your Dependent Day Care FSA at the close of the plan year are **not** refundable to you.
- It is a participant's responsibility to read and adhere to the ERA terms and conditions.
- By accepting and using your TASC Card, you agree to the Cardholder Agreement. You are obligated to satisfy any documentation requirements and to retain those documents and records for tax purposes or in the event of an IRS audit. Refer to the TASC Card Section in the ERA Participant Guide for more information.
- You may change your Dependent Day Care FSA elections during the plan year only if you experience a qualified life change event, such as, a marriage or divorce, birth or adoption of a child, or a change in employment status. Refer to the Change in Status During the Year Section in the Employee Reimbursement Account (ERA) Participant Guide for more information.

Annual Dependent Day Care Limits	2018	2017
Dependent Day Care FSA Contribution Limit	\$5,000 ¹	\$5,000 ¹
Dependent Day Care FSA Carryover Limit	\$0	\$0



Annual Dependent Day Care Contribution Limits

This is the amount the Internal Revenue Service (IRS) allows to be contributed to a Dependent Day Care FSA.

¹: Restrictions may apply.



Additional Dependent Day Care FSA Criteria

- Dependent Day Care FSA expenses **must** be work related. The care must be necessary for you (and your spouse) to work, look for work, or attend school full-time, or if you are physically unable to care for your eligible tax dependent.
- Dependent Day Care FSA expenses submitted for reimbursement during a calendar year may **not** exceed \$5,000.
- The IRS sets the annual contribution limits for the Dependent Day Care FSA. You can contribute up to a maximum of:
 - \$2,500 per year if you are married and file a separate tax return.
 - \$5,000 per year if you are married and file a joint tax return, or if you are single or head of household.
- If you and your spouse are **both** eligible to contribute to a Dependent Day Care FSA through your respective employers, you and your spouse **cannot** each claim \$5,000. The individual limit is \$2,500.
- Dependent Day Care FSA is **not** eligible for annual carryover. All claims must be incurred by December 31 and submitted by March 31. Any unused funds left in your Dependent Day Care FSA at the close of the plan year (December 31) are **not refundable** to you and will be forfeited.
- Special considerations apply to parents who are divorced or separated. A child is a qualified dependent for the custodial parent only, which is the parent with the greater portion of custody during the calendar year, no matter who is entitled to the tax deduction for the child.
- **Note:** Dependent Day Care FSA can only be used for care of eligible dependents, not for health care expenses.

Eligible Dependent Day Care FSA Expenses

Below is a partial list of eligible expenses that are reimbursable through a Dependent Day Care FSA. Eligible expenses may only be incurred by your qualified dependent(s). Health care expenses are **not** eligible. For more information, see your ERA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publication 503.

- | | |
|--|---|
| • Adult daycare | • Employer-provided on-site daycare ² |
| • After-school and before-school care/program ² | • Federal employment taxes (FICA, FUTA) of Dependent Day Care provider |
| • Au pair/nanny salary and fees | • Household services related to dependent care |
| • Babysitting in your home or someone else's home ¹ | • In-home care ¹ |
| • Babysitting by your relative who is not a tax dependent ¹ | • Nighttime care ¹ |
| • Care when one parent works days and other parent works nights ¹ | • Nursery school/ preschool fees or tuition |
| • Care while looking for work | • Payroll taxes related to eligible dependent care |
| • Care while on family, personal or medical leave | • Room and board for caregiver (<i>au pair, nanny, etc.</i>) |
| • Care while you/spouse is working at self-employment ¹ | • Senior daycare ¹ |
| • Child daycare or day camp ² | • Sick child care ¹ |
| • Custodial elder care ¹ | • Specialized daycare |
| | • Transportation to and from eligible dependent care (<i>provided by the care provider</i>) |

1: Care must be work-related. Restrictions may apply. See IRS Publication 503 for more details.

2: Primary purpose must be custodial care, and not educational in nature. See IRS Publication 503 for more details.

Ineligible Dependent Day Care FSA Expenses

Note: If you pay for anything other than eligible expenses with your Dependent Day Care FSA, the amount will be taxable, and you will be required to repay the amount or pay an additional tax penalty. Below is a partial list of ineligible expenses. For more information, see your ERA Participant Guide at <https://partners.tasconline.com/ETFEmployee> For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publication 503.

- | | |
|---|--|
| • Child care while performing volunteer work | • Kindergarten/school tuition |
| • Educational, learning, or study skills services | • Meals, food or snacks |
| • Field trips or sleep-away camp | • Nursing home care for dependent adult(s) |
| • Health care or expenses | • Summer school |
| • Household services (housekeeper, cook, etc.) | |





DEPENDENT DAY CARE FSA ADDITIONAL INFORMATION

Qualified Dependents

Eligibility for the Dependent Day Care Flexible Spending Account (FSA) requires that certain criteria be met. Dependent Day Care FSA expenses **must** be for the care of one or more qualifying individuals, defined as the following:

- A dependent under the age of 13 and for whom a tax exemption can be claimed. Within 30 days of dependent reaching age 13 (but no later) you may reduce the Dependent Day Care FSA annual election, to reflect the total reimbursement or total contribution amount (whichever is greater).
- A spouse who is physically or mentally incapable of self-care, and lives with you for more than half the year.
- A dependent who is physically or mentally incapable of self-care, for whom a tax exemption can be claimed, and who lives with you for more than half the year.
- An elderly parent who lives with you at least half of the year. The care must be incurred while you (or your spouse) are at work, looking for work, or attending school full-time. Care outside the home is eligible if the dependent spends at least eight hours a day in your home.
- **Note:** Special rules apply to children of divorced or separated parents. See Additional Criteria for Children of Divorced or Separated Parents.

Additional Criteria for Children of Divorced or Separated Parents

Even if you cannot claim your child as a tax exemption or tax dependent, he or she is treated as your qualifying dependent if all of the following are true:

- The child is under age 13 and is not physically or mentally capable of self-care.
- One or both parents provide more than half of the child's support for the year.
- Parents are divorced, legally separated, or lived apart at all times during the last six (6) months of the calendar year.
- One or both parents has custody of the child for more than half the year.
- You are the parent with the higher adjusted gross income in a 50/50 custody arrangement.
- You are the child's custodial parent, defined as the parent with custody for the greater portion of the calendar year; OR if parents have equal custody (same number of nights), then the parent with the higher adjusted gross income is the custodial parent.

Note: For a noncustodial parent, the child's expenses are **not** eligible for the Dependent Day Care FSA, even if said parent is financially responsible for providing the care, and even if said parent is entitled to claim the child as a dependent.

- **Only** the custodial parent qualifies for the Dependent Day Care FSA for a taxable year.
- A noncustodial parent may **not** submit expenses for the portion of the year in which they have custody of the child.

Important Care Provider Information

- All persons and organizations providing dependent care must be identified on IRS Form 2441.
- The provider name, address, and taxpayer identification number (or Social Security number) must be included.
- If a center provides care for more than six (6) individuals, the center must comply with all state and local regulations.
- Payments made to relatives who are not dependents can be included, but not to a dependent for whom you can claim an exemption or for your child who is under age 19 at the end of the year (regardless of whether he or she is your dependent).
- You may use IRS Form W-10 to request the required information from the care provider.



PARKING ACCOUNT



A Parking Account allows you to pay for eligible work-related parking expenses with pre-tax dollars.

What are the benefits?

- Pre-tax contributions reduce your taxable income.
- Easiest way to pay for eligible parking expenses, with tax-free money.
- Your Parking Account funds become available to you as payroll deductions are taken.
- Eligible for unlimited carryover, so there is minimal "use-it-or-lose-it" risk.
- You can enroll or make changes to your account at any time during the plan year.

How does it work?

- Use our tax-savings calculator or annual expense estimate worksheet to help determine how much you should contribute per year.
- Your annual contribution is deducted pre-tax from your paycheck in equal amounts throughout the plan year and deposited into your TASC Account.
- Manage your account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>.

Enrollment Eligibility

- Most active state and UW employees, including limited term employees, are eligible to participate in a Parking Account.
- **Note:** Spouses and dependent children are **not** eligible. If you park at your place of employment, your deductions may already be taken pre-tax. These deductions are **not** reimbursable through this program.
- **Note:** Student Assistants who are classified as fellows, scholars, and trainees in the UW System, as well as employees-in-training who are classified as grad intern/trainee or post-doc fellow/trainee, are **not** eligible.

Eligible Parking Expenses

Below is a partial list of eligible expenses that are reimbursable through a Parking Account. For more information, see your Employee Reimbursement Account (ERA) Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publication 5137.

- Metered parking
- Daily/monthly parking fees for parking lots/ramps
- Park n' ride lots
- Parking at mass transit facilities

Parking Account Contribution Limit

	2017	2016
Contribution Limit	\$255/month	\$255/month
Carryover Limit	Unlimited	Unlimited

This is the amount the Internal Revenue Service (IRS) allows to be contributed to a Parking Account per month.



Note: Parking and Transit are separate benefits. Please choose the commuter benefit(s) that best meets your needs.

Ineligible Parking Account Expenses

If you pay for anything other than eligible expenses with your parking and/or transit account(s), the amount will be taxable, and you will be required to repay the amount or pay an additional tax penalty. Below is a partial list of ineligible expenses. For more information, see your ERA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.irs.gov and see IRS Publications 5137.

Note: If you park at your place of employment, your deductions may already be taken pre-tax. These deductions are not eligible.

- Airline flights
- Bicycle-related expenses
- Expenses incurred traveling from an office to business or client meetings
- Non-work related parking expenses
- Parking for business meetings
- Residential parking fees
- Tolls, gas, or other driving-related costs
- Transit costs reimbursed your employer
- Transit or parking expenses for spouses and dependents
- Tunnel, bridge, or highway tolls (*EZ Pass, etc.*)

