

MISSOURI
STATE EMPLOYEES'
CAFETERIA PLAN
(MO@afe)

COMMUTER
BENEFITS
(parking and
van-pool/mass transit)

2012
PLAN & ENROLLMENT GUIDE
For
The Employees
Of
The State of Missouri



*Please note:
Open enrollment ends
on December 1, 2011*

Administered By

Central/ASI
800-659-3035

File claims online at: <https://my.asiflex.com>
Toll-Free Claims Fax: 1-877-879-9038

P.O. Box 858
Columbia, MO 65205-0858
asi@asiflex.com
on the web at: www.mocafe.com

TABLE OF CONTENTS

<u>Topic</u>	<u>Page</u>
<u>Commuter Benefits Guide</u>	3
<u>Missouri State Employees' Cafeteria Plan (<i>Mocafe</i>)</u>	5
<u>Important points!</u>	5
<u>Highlights</u>	6
<u>Eligibility</u>	6
<u>Electing Pre-Tax</u>	6
<u>Coverage Dates</u>	6
<u>Plan Administrator</u>	6
<u>Claims Processing</u>	7
<u>Quick Reference - Benefits</u>	7
<u>Frequently Asked Questions</u>	7
<u>Qualified Payroll-Deducted Insurance Premiums POP (Premium Only Participation)</u>	10
<u>Health Care Flexible Spending Account (FSA) - Setting Up and Using</u>	11
<u>FSA/HSA interaction</u>	11
<u>Health Care FSA Qualifying Expenses</u>	13
<u>Non-qualifying Expenses</u>	13
<u>Dependent Care Flexible Spending Account (FSA) - Setting Up and Using</u>	13
<u>Dependent Care FSA Qualifying Expenses</u>	15
<u>Non-Qualifying Expenses</u>	15
<u>FSA Claim Filing Requirements</u>	17
<u>Tax Savings Example</u>	18
<u>Election Instructions</u>	19
<u>MOCafe Election Agreement</u>	Back cover

COMMUTER BENEFIT PROGRAM

State and Federal tax laws allow employees to save taxes on parking at work and mass transit or vanpooling expenses incurred to get to work. Employees save by setting up a pre-tax payroll deduction that reduces taxable income. Your tax savings will vary, depending upon your tax bracket. Most employees will save at least \$12.50 on every \$50 they pay for qualified expenses.

These programs work very similarly to the Cafeteria Plan, but are separate from the MOCafe plan, and there are two distinct differences between the Cafeteria Plan and the Commuter Benefit Program that you should be aware of. These differences are:

- ◆ **Enrollment is ongoing.** Unlike the *MOCafe* plan, you are not required to re-enroll in the pre-tax spending programs every year during open enrollment. Once you enroll in the Commuter Benefit Program, your enrollment will be ongoing for as long as you are employed by the State, unless you modify your election or terminate participation.
- ◆ **You can make a change or stop your election at any point in time.** You are not restricted to making changes after experiencing a life status event. However, changes cannot be made retroactively. To make a change in election or to stop your election, please fill out the Commuter Benefit Program Election form found online at www.mocafe.com.

There are two separate Commuter Benefits Accounts in which State of Missouri employees are eligible to participate:

- ◆ Pre-Tax Parking
- ◆ Mass Transit/Van Pooling

Pre-Tax Parking: Enrolling in the Pre-Tax Parking program allows you to get a tax break for expenses incurred for parking at or near your main place of employment **or** at or near a location from which you commute to work by car pool, commuter highway vehicle or mass transit. Out-of-pocket parking fees for parking meters, garages and lots qualify for reimbursement, but parking at or near your home is not an eligible expense.

Coverage in the program commences the month after receipt of the enrollment form, and coverage is ongoing until you cancel your election.

Mass Transit/Van Pooling: Enrolling in the Mass Transit/Van Pooling program allows you to get a tax break on expenses such as transit passes, tokens, fare cards, vouchers, or similar items entitling you to ride a mass transit vehicle to or from work. The mass transit service may be publicly or privately operated and includes bus, rail, or ferry. For most Mass Transit participants, ASI will issue you a voucher, or transit, pass directly.

Van Pooling is defined as a commuter highway vehicle with a seating capacity of at least 7 adults (including the driver). At least 80% of the vehicle mileage must be for transporting employees between their homes and workplace, with employees occupying at least one-half of the vehicle's seats (not including the driver's seat). Not all employees riding in the van must work for the State of Missouri for these expenses to be eligible. For example, you ride in a 7-passenger van with 3 other passengers and the driver. The van is only used for commuting and all five people always ride together. Since at least one-half of the seats other than the driver's are occupied by commuters and more than 80% of the van's use is for commuting to and from work, you can include your cost of riding the van in the Commuter Benefits Program.

Deductions for your Mass Transit/Van Pooling program commence the month following receipt of your enrollment, and coverage begins the month after that.

Enrollment: You can enroll in the Commuter Benefits Program at any time by completing an enrollment form (you can access the enrollment form online at www.mocafe.com). Remember that you can enroll, change or terminate your pre-tax deduction at any time. However, all changes are effective on checks issued after the first of the month following the change or enrollment.

GETTING YOUR MONEY BACK

ASI will mail you a welcome packet shortly after you enroll in the Commuter Benefits Program that includes a welcome letter and a supply of claim forms. To receive reimbursement for your expenses, you just submit a claim form and documentation to ASI for processing. Claims and receipts may be sent to ASI via U.S. Mail or faxed to (877) 879-9038.

Mass Transit Participants: As stated above, most Mass Transit Participants will not receive cash reimbursement for expenses. Instead, ASI will purchase vouchers and transit passes, and mail these to you on a regular basis. For most participants, it is anticipated these vouchers will be valid for one month at a time. If you are a Mass Transit participant (i.e. you are riding a train, bus or ferry), please contact ASI via email (asi@asiflex.com) or phone (800-659-3035) to discuss how you will receive reimbursements for your Mass Transit expenses.

Reimbursement requests are generally processed within one business day of receipt. Payments are released **up to the amount you currently have available**. Payments will be released, up to your available funds, each business day. Be sure to sign up for direct deposit to have quicker access to your funds. Payments will be made by check for anyone not signing up for direct deposit.

Please note that you can claim more than you are having deducted for a given month, and the requests in excess of your available funds will roll forward to the next month and will automatically be reimbursed when your next payroll deduction occurs. However, requests that exceed the monthly Federal maximums will only be processed up to these maximums. Please review the following example to clarify this:

Example: Steve normally incurs \$150 per month in van pooling expenses, so he enrolls in the Commuter Benefit Program and has \$150 per month deducted pre-tax for these expenses. In January, Steve is assessed \$150 by his van pool coordinator. In February, two of the riders in the van pool take new jobs closer to home and stop riding in the van pool, so Steve is charged \$250 per month for his share of the ride in February. Steve submits his claim to ASI for \$250, which exceeds the statutory limit of \$230 per month. ASI reimburses him the \$150 he has available and \$80 is reimbursed the next time he has a payroll deduction. Since the statutory maximum is \$230 per month for van pool expenses, the only amount that rolls forward is the \$80 difference.

Documentation: Federal Regulations require you to provide a written statement from the provider of the service that supports your claim if the provider provides receipts or other documentation in the ordinary course of its business. If the provider does not provide receipts or other documentation, explain the situation in the column labeled "Attach proof of expense or explain why it is not available in the ordinary course of business." If the provider normally provides documentation such as receipts you must provide a copy with your claim.

The documentation must show:

- ✓ The name of the provider;
- ✓ The date or range of dates of parking, travel, or payment. You may not claim expenses for more than one month on one line;
- ✓ A description of the service provided (for example, "April 2012 parking" or "May 2012 bus fare"); and
- ✓ The cost of the service or the amount paid.

Costs to Participate: If you enroll in the mass transit program and are receiving vouchers in the mail or do not sign up for direct deposit, you will be assessed a fee of \$3.40 per pay month. If you are not receiving vouchers in the mail and are signed up to receive reimbursements via direct deposit, you will be assessed a per month fee of \$2.40.

Missouri State Employees' Cafeteria Plan

Important Points!

1. If you have any expected large health expenses (such as orthodontia, lasik eye surgery, etc.), you may wish to have those completed this year. Currently, you may elect up to \$5,000 as your annual maximum. However, under the recent health care reform bill, the annual health care maximum that may be elected in 2013 will be limited to \$2,500.
2. **Over-the-counter Medicines** - You must also provide a copy of a prescription from your doctor for any over-the-counter medicines you wish to claim. This is for medicines only (e.g., allergy medication, aspirin, antacids, etc.). Other over-the-counter items (e.g., contact lens solution, bandages, etc). still remain eligible without a prescription.
3. **Eligible Dependents** - Under the health care FSA, you may include qualified expenses for your child(ren) who will not reach age 27 on or before December 31, 2012. Your child does not need to live with you in order for you to claim his/her health, dental and vision expenses that you have incurred on his/her behalf. Please see IRS Notice 2010-38 for further information.
4. **“Opt Out”** - All eligible State-sponsored insurance premiums will be deducted pre-tax from your paycheck unless you actively opt-out of the program. This was a change to the Cafeteria Plan that was effective January 1, 2009. By changing the Plan from “opt-in” to “opt-out”, the State has made it much easier for employees to reduce the amount of income and Social Security taxes they pay each paycheck.

If you would rather pay taxes on the insurance premiums that come out of your paycheck, **you must “opt out” during open enrollment each year** by indicating “Cancel Pre-tax” on an enrollment form or by using the on-line enrollment system to “Cancel Pre-tax.”

Eligible insurance premiums include your share of the cost of:

1. State sponsored health insurance premiums including premiums for MCHCP, MoDot, MO Department of Conservation, Highway Patrol, or University sponsored coverage.
2. State sponsored dental insurance premiums including MCHCP or University sponsored coverage.
3. State sponsored vision insurance premiums including MCHCP or University sponsored coverage.
4. Cafeteria Plan approved voluntary products. The list of approved products can change from year to year and even within a plan year. Please check the list available at <http://oa.mo.gov/acct/cafevendors.htm>.

This change **does not** affect the flexible spending accounts (health care FSA and the Dependent Care FSA). You *must enroll each year* during open enrollment in order to participate in these accounts!

5. **HSA and HCFSA** - MCHCP is currently offering a high deductible health insurance plan (HDHP). In order to qualify for the HDHP, you must also establish a Health Savings Account (HSA). The State will make contributions to this HSA beginning in January. Federal regulations do not allow contributions to an HSA if you have any non-exempt coverage. The Health Care flexible spending account (HCFSA) is non-exempt coverage. Therefore, you cannot enroll in both the HDHP and the HCFSA.
6. You can now file claims online at: <https://my.asiflex.com>. Simply complete the claim information and then scan and attach the necessary documentation. Remember to save the scanned images in pdf format. You will immediately receive a confirmation number after you submit your online claim. You will need your PIN to access this secure site. Your PIN will be sent to you in your initial confirmation packet after enrollment.

New employees have 31 days to enroll in or to **“opt out”** of the Cafeteria Plan. All new employees must complete this process using the Statewide Employee Benefit Enrollment System (SEBES), found online at <https://www.sebes.mo.gov>.

HIGHLIGHTS

ELIGIBILITY

To be eligible you must be an employee of the State of Missouri.

ELECTING PRE-TAX

The **MOcafe** plan year is January 1 through December 31st. Open Enrollment is held from October 1 through December 1. **To participate in a Flexible Spending Account (FSA), you must [enroll](#) during open enrollment each year for the upcoming calendar year.** You may also be eligible to enroll mid-year if you experience a qualifying [Change in Status event](#). The Health Care and Dependent Care FSA have slightly different rules regarding [making an election change](#) or enrolling mid-year.

- A new employee must use SEBES (<https://www.sebes.mo.gov>) within 31 days of his/her hire date to make **MOcafe** elections including “opt out.”
- Coverage for mid-year new-hire elections will be effective on the first day of the month following approval of the election.
- You may also make future changes to your account within 60 days of any [qualifying Change in Status](#) event.
- An employee who enrolls or changes his/her election should only include reimbursable expenses for *services received* from the coverage effective date through the end of the plan year (December 31st). If you leave employment with the State, then your coverage will end sooner than December 31.

During Open Enrollment (October 1 through December 1), you may enroll [on-line](#) or [on paper](#). You do not need to complete both. Sign on to www.mocafe.com; then click on “Enrollment” to enroll on the Internet. Click [here](#) for further on-line instructions. New hires must enroll in all benefit programs using [S.E.B.E.S.](#)

An email election acknowledgement will be sent to you if you provide your email address. Participants who elect the Health Care or Dependent Care FSA will receive an election confirmation, claim forms, and Internet access instructions prior to December 31, 2011.

COVERAGE DATES

Start of coverage:

- January 1, 2012 for participants who make an election during open enrollment
- The first of the month after the election is approved by **MOcafe** for all others

End of coverage:

- December 31 or the end of the month in which the last contribution from payroll was received under the Health Care FSA.
- Health Care FSA expenses must have been incurred on or before the end of coverage. Dependent Care FSA expenses may be incurred through the end of the plan year.

PLAN ADMINISTRATOR

The State of Missouri has contracted with Central/ASI to process all claims for the Flexible Spending Account program. Contact Central/ASI if you have questions regarding claims, eligible expenses, or elections.

Central/ASI
P. O. Box 858
Columbia, MO 65205-0858
Phone: (800) 659-3035
Toll-Free Fax: 1-877-879-9038
Email: asi@asiflex.com
Web: www.mocafe.com

CLAIMS PROCESSING

- ◆ Claim forms are available at – www.mocafe.com/claiminstruction.html
- ◆ Please see the [Claim filing requirements](#) section
- ◆ Mail or fax claims to [Central/ASI](#)
- ◆ Claims typically processed within 1 business day (**starting February 1, 2012**)
- ◆ Direct deposit authorization - <http://www.mocafe.com/achformmo.doc>
- ◆ E-mail notification authorization - <http://www.mocafe.com/emailform.doc>
- ◆ On-line account activity - www.mocafe.com, click on Account Detail
- ◆ InfoLine/125 (800) 366-4827 (634-1333 from Jefferson City)
- ◆ **If a Health Care FSA deduction is not taken in full on any paycheck, then no claims can be processed/paid until the missing deduction(s) are paid in full.**

All FSA claims for calendar year 2012 must be filed by April 15th, 2013.

QUICK REFERENCE - BENEFITS

- Qualified Insurance Premiums**
 - Easy tax savings (basically a discount) on your cost for qualified payroll-deducted insurance plans
- Health Care FSA**
 - Save taxes on known, predictable costs of medical care during the plan year
- Dependent Care FSA**
 - Save taxes on costs of care and well-being for your dependents while you work

Frequently Asked Questions



IF I REDIRECT (Pre-tax) PART OF MY PAY, WON'T I MAKE LESS MONEY?

No. By electing to direct a portion of your salary through the Plan, you essentially bank your money in a TAX-FREE account, which allows you to save money by reducing your taxes. For example, you purchase a prescription medicine and then claim reimbursement for the co-pay from your TAX-FREE account. You pay no taxes on this reimbursement, and your spendable income will increase by the amount of your tax savings.

WHY SHOULD I PARTICIPATE IN THE HEALTH CARE FSA IF I ALREADY HAVE MEDICAL INSURANCE?

The Health Care FSA offers a tax break on medical care expenses **NOT** reimbursed by insurance. For example, deductibles, co-pays, coinsurance, expenses for office visits, eye exams, glasses, prescribed medicine, qualified over-the-counter medicine and hospital care.

HOW MUCH DOES IT COST?

You pay a fee of **16 cents/month** if you choose to pay your insurance premiums pre-tax. You pay a small fee of **\$2.96/month** to participate in either one or both flexible spending accounts or **\$3.46/month** if you chose to receive your reimbursements by check instead of direct deposit. If you are enrolled in one or both of the FSAs, the 16 cent fee is waived.

WHAT IS THE CATCH?

No catch. Congress approved Cafeteria Plans in 1978; the Tax Reform Act of 1986 reaffirmed their legitimacy. The plans have long been in many Fortune 500 companies' benefit packages. Many state governments also include the plans in their benefit packages.

WHAT IF I DON'T USE ALL OF THE MONEY IN MY FSA ACCOUNT?

Central/ASI can help you estimate your allowable expenses for the calendar year. However, if you do have **funds remaining in your account at the end of the year**, you will forfeit that amount as required by the Plan. **(Since you do not file claims with the cafeteria plan office for the insurance premium part of the plan (POP), there are no funds remaining at the end of the year and no forfeitures.)**

ARE THERE ANY NEGATIVES THAT I SHOULD KNOW ABOUT?

If you do not use all the money in your Health Care FSA or Dependent Care FSA, **you will forfeit it.**

WHAT IF I'M ALREADY IN THE PLAN?

Participation in both FSA accounts terminates at the end of each calendar year. **You must re-elect each year** to continue your participation.

Participation in the insurance categories of the plan (POP) is automatic - No form is required unless you want to pay taxes on your insurance premiums – see “[Opt Out.](#)”

ARE THERE ANY RESTRICTIONS IF MY SPOUSE ALSO CONTRIBUTES THROUGH HIS or HER EMPLOYER'S FSA PLAN?

- The reimbursement limit for a Health Care FSA is established by *each* employer, so you may each contribute an amount up to *each respective* employer's plan limit. However, you may only claim reimbursement of each expense from one plan (not the same expense under both plans). The State of Missouri's plan limit is **\$5,000** for the Health Care FSA. **Federal regulations may prohibit you from making contributions to an HSA if your spouse participates in a Health Care FSA.**
- The Dependent Care FSA deduction limit is established by the IRS. Therefore, you and your spouse may **together** elect not more than **\$5,000** per calendar year.

WHEN CAN I MAKE CHANGES?

You can change benefits during open enrollment (prior to the start of each calendar year). Generally, **you will not be able to change your election** during the calendar year. However, if you plan well, that should not be a problem since you will only elect deductions equal to expenses that you know you will have.

You might be able to make a change under the following circumstances if...

1. You have a special enrollment right under [HIPAA](#);
2. You experience a [Change in Status event](#);
3. You are served with a [judgment, decree or court order](#);
4. You or someone in your family's entitlement to [Medicare](#) or Medicaid changes;
5. There is a change in the [cost of your insurance](#) with the State;
6. There is a [change in the coverage](#) provided by your insurance with the State or by the insurance your spouse or dependents have with their employer;
7. You go on [Family Medical Leave](#) or on military leave.

To make an eligible change during the calendar year, **contact [Central/ASI](#) within 60 days of a qualifying [Change in Status event](#) (31 days for new employees)**. Central/ASI may request proof of a qualifying Change in Status event. You will also need to complete the appropriate paperwork with the insurance plan to add/drop/change your insurance coverage.

Election changes to qualified payroll-deducted insurance premium payments are effective with the first required premium payment (first of the next month for new hires) after the event and the approval of the new election. Election changes for the Health Care FSA and Dependent Care FSA are effective the first day of the month following Central/ASI's receipt and approval of the new election. (For example: You submit your FSA enrollment on February 2nd, your expenses starting on March 1st will be reimbursable and pre-tax deductions will start on paychecks issued in March.) Any increase in the election amount designated by a participant may include only those expenses that the participant incurs on or after the effective date of the increase.

All election changes must be consistent with the qualifying [Change in Status event](#). **The only changes in status under which you can reduce your Health Care FSA election are legal marital status changes due to death, divorce, or annulment, or if there is a reduction in your number of dependents (as defined in section 152 of the Internal Revenue Code) due to death.** See also the information on [Family Medical Leave](#) .

1. **HIPAA**. If a special enrollment right under HIPAA entitles you to enroll a dependent, your spouse, or yourself in the State's Health, Dental or Vision insurance, you can include the new premium in the Cafeteria Plan.
2. **Qualifying Change in Status events** are defined as any one of the following four (4) changes in status.
 - a) Your legal marital status changes through marriage, divorce, death, or annulment.
 - b) Your number of dependents changes by reason of birth, adoption (or placement for adoption), or death. If

your child no longer qualifies for day care because he or she turned 13, then that is a loss of a dependent under the Dependent Care FSA, but not under any of the other categories.

- c) You have a change in employment status that affects eligibility under this plan.

If you terminate or take a leave of absence, you must be gone at least 31 days for the termination or leave of absence to qualify as a Change in Status. If your spouse or any of your dependents have an employment status change that affects eligibility under a plan maintained by your spouse's or any dependent's employer, then you may increase or add coverage under *this* plan if coverage is lost under the *other* employer's plan.

If participation terminates and then you return to employment within 31 days in the same calendar year, then your election will be reinstated as it was immediately prior to the termination of employment. If you return to employment after 31 days in the same calendar year, then you may make a new election for the remainder of the calendar year. You will not be able to be reimbursed for Health Care or Dependent Care expenses incurred during the termination period.

- d) One of your dependents satisfies or ceases to satisfy the requirements for coverage under one of the qualified insurance plans or Health Care FSA (decreases in Flexible Medical are not allowed) for unmarried dependents due to attainment of age, student status, or any similar circumstances.

In addition, the Change in Status event must result in a gain or loss of eligibility for coverage under this plan or a plan maintained by your spouse's employer or one of your dependent's employers and your election modification must correspond with that gain or loss of coverage.

For example:

- You adopt a two-year-old child during the calendar year.
- Since your number of dependents changes due to the adoption, you experience a Change in Status event.
- Your child is now eligible for coverage under the State's insurance and Health Care FSA and Dependent Care FSA.
- You would be allowed to increase the amount you set aside in the Health Care FSA and Dependent Care FSA, or elect to participate in those plans if you are not already participating.
- However, you would not be able to decrease or drop any category because there was only a gain of eligibility, and not a loss of eligibility and a decrease does not correspond with the gain of eligibility.

3. A **judgment, decree, or court order** resulting from a divorce, annulment, or change in legal custody (including a qualified medical child support order) that requires health coverage for your child allows you to make an election change to your State insurance or Health Care FSA, to:

- a. Provide coverage for the child, if the order requires coverage under your plan; or,
- b. Cancel insurance coverage for the child, if the order requires your former spouse to provide coverage.

4. **Medicare and Medicaid**. If you, your spouse or a dependent becomes entitled to coverage (i.e., enrolled) under Medicare or Medicaid, other than coverage consisting solely of benefits under the program for distribution of pediatric vaccines, you may make an election change to your State Health, Dental or Vision Insurance to cancel coverage for the affected person. Likewise, if you, your spouse, or your dependent who has been entitled to such coverage under Medicare or Medicaid loses eligibility for such coverage, you may make an election change to commence or increase coverage under one or more of these same benefits.

5. A **change in your cost**, with no change in coverage, for one of the qualified insurance plans will result in an automatic election adjustment to match the change in the cost. If the premium amount significantly increases you may revoke an election as long as you pick up coverage under another health plan with similar coverage.

6. **Coverage Changes**. If the coverage under any of the Insurance plans is significantly curtailed or ceases during a period of coverage, you may revoke your election under the affected plan as long as you elect coverage under another plan providing similar coverage. Coverage under an accident or health plan is significantly curtailed only if there is an overall reduction in coverage provided to participants generally. For example, the loss of your primary care physician would not be a significant curtailment because it does not affect participants in general.

If the plan adds a **new benefit package option** or other coverage option (or eliminates an existing benefit package option or other coverage option) during the year and you are affected by this addition or elimination, you may elect the newly-added option (or elect another option if an option has been eliminated) prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage.

If you **change Dependent Care providers**, you may make an election change to reflect the cost of the new provider. School can be considered a new provider.

Open enrollment for spouse or dependent's employer's plan. If you make an election change to health, dental or vision insurance coverage under your spouse or dependent's employer during his or her open enrollment period (that is not for calendar year coverage) you may make a corresponding change under ***MOcafe***.

7. If you take unpaid **Family Medical Leave (FMLA) or military leave** for more than 31 days, you may revoke an existing election under the qualified insurance plans or Health Care FSA. You must revoke your Dependent Care FSA since you are not working. Upon returning from FMLA or military leave, you may choose to be reinstated in either benefit if such coverage was terminated during the FMLA or military leave. Such reinstatement will be on the same terms as prior to taking FMLA or military leave. You have no greater right to benefits for the remainder of the calendar year than an employee who has been continuously working during the calendar year.

If your coverage under the qualified insurance plans, the Health Care FSA or Dependent Care FSA terminates while you are on FMLA or military leave, you will not be entitled to receive reimbursements for claims incurred during the period when the coverage is terminated. If you elect to be reinstated in a benefit upon return from FMLA or military leave your coverage for the remainder of the plan year is either equal to your election for the 12-month period of coverage, prorated for the period during the FMLA or military leave for which no contributions were made or the amount equal to your old per check deduction times the number of checks remaining in the plan year. (See additional information on [FMLA](#).)

QUALIFIED PAYROLL-DEDUCTED INSURANCE PREMIUMS

Premium Only Participation: POP

Qualified insurance premiums include the State-sponsored health, dental, and vision insurance premiums as well as qualified voluntary products (which also comply with CSR 10-4.010) that are payroll-deducted from your State paycheck. Qualified voluntary insurance products are listed at www.mo.gov/mo/cafevendors. **All qualified voluntary payroll-deducted insurance products are enrolled in *MOcafe* as a group.** Either all or none of these voluntary premiums are in the plan based on your enrollment in ***MOcafe***. **No other insurance premiums qualify for pre-tax payroll deduction from your State payroll check.**

Please note that you must keep the same insurance coverage for the entire year, unless you have a [Change in Status event](#), as explained above. You will receive exactly the same insurance benefits, but the cafeteria plan puts the extra tax savings in your pocket each month. Participating in this category of the cafeteria plan can net you 25% savings on the dollar amount of each payroll deduction. Since you will not pay income tax on your insurance premiums, your take home pay will actually increase due to the tax savings that participation in the cafeteria plan allows. Note that you are NOT buying anything extra, you are NOT changing any of the insurance coverage you sign up for, and there is NO additional paperwork on your part to realize the savings.

Opt Out Feature

All qualified payroll-deducted State-sponsored insurance & qualified voluntary products categories will be automatically enrolled in *MOcafe*, to the extent you have qualified premiums, unless you opt-out of one or all of these categories by completing an on-line or paper election agreement during open enrollment each year. If you do not pay for any qualified payroll-deducted State-sponsored or qualified voluntary products, then you will not be automatically enrolled.

HEALTH CARE FSA - SETTING UP AND USING



You cannot participate in both the Health Care FSA and make contributions to or have contributions made to your HSA. If you select the High Deductible Plan from MCHCP you may not participate in the Health Care FSA. If you participate in the Health Care FSA, then neither you nor your spouse should allow contributions to be made to an HSA. If your spouse participates in a Health Care FSA through his/her employer, then you risk significant tax penalties if you select the HDHP option. Please call Central/ASI if you have any questions regarding Health Care FSAs and how they work with HSAs.

Estimate your annual out-of-pocket health care expenses for you and your family. You may include **medical expenses for any family member who is a dependent (without regard to income limitations) for federal tax purposes** (special rules apply to children of divorced parents), even if they are not covered under one of the health/dental/vision plans offered by the State. Include predictable expenses only. See page 5 for an important change regarding eligible dependents.

Notice about eligible dependents: Recent federal legislation made changes to eligibility of older dependents. You may now include qualified expenses for your child(ren) who will not reach age 27 on or before December 31, 2012. Your child does not need to live with you in order for you to claim his/her health, dental and vision expenses that you have incurred on his/her behalf. Please see IRS Notice 2010-38 for further information.

Elect participation in the Health Care FSA. Enter your estimated medical care for the calendar year. (Deductions are generally taken out of all regular paychecks each month.) Contact your payroll/personnel representative if you need assistance.

Incur medical care expenses. A medical care expense is incurred on the date a service is provided or a product is purchased to create that expense. You must incur medical care expenses *before* you file a claim for those expenses. The expense must be incurred during your period of coverage for the Plan Year.

File claims. After you have incurred the medical care expenses and know the amount of your responsibility for the bill, you may submit a claim for those expenses to Central/ASI.

Receive reimbursements. Central/ASI will review your claim and any necessary supporting documentation. If approved, Central/ASI will reimburse you for the medical care expenses. Claim reimbursements are issued within one business day of receipt of your claim. **Claims are accepted starting January 1 but daily reimbursements don't start until February 1, 2012.**

Some important points you should remember regarding the Health Care FSA are:

- 1. Maximum Election:** You may include up to **\$5,000** worth of qualifying expenses each year -- but not more than your earned income.
- 2. Your annual election cannot be changed,** unless you experience a qualifying [Change in Status event](#).
- 3. You may include all medical, dental, hearing and vision expenses** not covered or not reimbursed by insurance which are **incurred** by you, your spouse, or your eligible dependents **during the calendar year** for medical care as defined in Section 213(d) of the Internal Revenue Code. Please refer to the Qualifying [list](#) and IRS Publication 502 (www.mocafe.com) for further details on qualifying expenses. Remember that expenses qualify under the Health Care FSA based on the **date incurred, not paid** as stated in Publication 502. **Federal regulations do not allow any insurance premiums or long-term care expenses to be included under the FSA.**
- 4. Medical care expenses** are eligible for payment from the Plan based on when **incurred**, not when paid. An expense is **incurred** when you or one of your dependents is provided with medical care or purchases a qualifying product, and **not** when you are billed, are charged, or pay for the expense.
- 5. Allowable expenses** must be incurred during the portion of the 2012 calendar year that you are a participant. **Claims for those expenses must be submitted to Central/ASI by April 15, 2013** After that, your account will be closed and you will forfeit any balance remaining in accordance with federal regulations.
- 6. You must submit a completed claim form along with copies of invoices or statements** to serve as proof that you have incurred an allowable expense in order to receive payment. Statements are required to be **from the provider/store** stating the **date of service/purchase**, a **description of services/products**, the expense amount, the **name of the service provider/store** and the **person for whom the service was provided**.

For **over-the-counter items**, the receipt or documentation from the store must include the name of the drug printed **by the store** on the receipt. You must indicate the existing or imminent medical condition (items such as vitamins and nutritional supplements require a physician's statement) for which the item will be used on the receipt, on the claim form, or on a separate enclosed statement each time these items are claimed.

You must have a prescription for all over-the-counter medicines for which you seek reimbursement through the plan. A copy of the prescription must be sent along with your completed claim form and other documentation.

- Purchases for general good health will not be accepted.
- For items covered by insurance, copies of insurance explanations of benefits statements may be used instead of original physician bills if the date of service and charges are shown.
- Copies of receipts of payment, without the above, are not acceptable.
- Copies of personal checks are not acceptable.
- Documentation and/or copies will not be returned.
- You will be provided with a supply of claim forms with your enrollment confirmation.
- Extra claim forms are available on the web at www.mocafe.com or by calling Central/ASI at (800) 659-3035.

Orthodontic expenses may be assumed to be incurred at the time a monthly payment is due and paid. These monthly payments must be spread out evenly over the expected period of orthodontic treatment. Therefore, claims submitted for orthodontic payments that meet the above are allowable.

- You may also submit a claim for a reasonable down payment of the orthodontic treatment if the down payment is made at the time the appliances are placed.
- Claims for payments made prior to being due or that otherwise do not meet the above requirements will not be processed.
- Claims for the entire fee paid at the beginning of treatment will not be processed, nor will claims for an entire year's payments made at the beginning of the year be processed.
- To claim orthodontic down payments, you must include a copy of the treatment contract and payment schedule along with proof of payment or a receipt of payment stating the date the braces were placed.

7. You will be paid the full amount of your claim or the balance of your annual election, whichever is less, whenever you file a qualifying claim. Payment under the Health Care FSA is not limited to the amount in your account at the time of your claim. Your monthly contributions will continue for the full calendar year.

8. **Claim reimbursements** will be made by **direct deposit** into the bank account of your choice. A notice that a payment was made is available by **e-mail**. InfoLine/125 and www.mocafe.com are available 24x7 to check on reimbursements or your remaining balance.

9. **Participants on Family Medical Leave** or military leave are entitled to maintain coverage for the Health Care FSA. Coverage and claims reimbursement will not be disrupted as long as monthly contributions are received (either by payroll deduction or by direct payment to the Plan) by the end of each month. The participant must make arrangements, **before** going on leave, with their payroll/personnel representative for prepayment of contributions. Reimbursements will be discontinued if the contribution is not received by the end of any month. A participant who terminates coverage prior to going on Family Medical Leave or military leave may immediately reinstate coverage for qualifying expenses upon return to work. Such reinstatement of coverage and continuation of the original per check or annual election must be made within 60 days of returning to work.

HEALTH CARE FSA EXPENSES

Only the portion of the expenses you owe after insurance payments can be claimed. **Qualifying expenses** are those expenses that are incurred by you, your spouse, or your eligible dependents **during the calendar year** for medical care as defined in Section 213(d) of the Internal Revenue Code, excluding all insurance premiums and long term care expenses.

Qualifying medical care expenses include amounts incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease, and for treatments affecting any part or function of the body. Refer to IRS Publication 502 for additional information (www.mocafe.com). However, **expenses qualify** for the Health Care FSA **based on**

when incurred, not when paid, and federal regulations do not allow any insurance premiums or long-term care expenses to be included under the FSA. Please contact [ASI](#) if you have a question on specific qualifying items.

QUALIFYING EXPENSES - only a partial list

- ◆ Deductibles
- ◆ Co-pays
- ◆ Coinsurance
- ◆ Doctor's fees
- ◆ Dental expenses
- ◆ Vision care expenses
- ◆ Chiropractor's fee
- ◆ Prescription glasses
- ◆ Contact lenses and solutions
- ◆ Corrective eye surgery
- ◆ Drugs and medicines treating an existing medical condition
- ◆ Orthodontics (braces)
- ◆ Routine physicals
- ◆ Medical equipment (necessary for an existing medical condition)
- ◆ Hearing aids, including batteries
- ◆ Transportation expenses related to illness

NON-QUALIFYING EXPENSES - only a partial list

- ◆ Cosmetic procedures; e.g. face-lifts, skin peeling, teeth whitening, veneers, hair replacement, removal of spider veins. A cosmetic procedure to correct a birth defect or performed as a result of a disfiguring injury may qualify. Please enclose a note from your physician with the claim stating the existing medical condition and why the treatment is required.
- ◆ Non-prescription sunglasses or clip-on sunglasses
- ◆ Toiletries
- ◆ Expenses that are merely beneficial to your general health (e.g., vacations and vitamins)
- ◆ Herbs, vitamins and nutritional supplements not used to treat an existing physician-diagnosed condition
- ◆ Special food even if purchased due to a medical condition unless the food treats the medical condition
- ◆ The cost of a weight-loss program if the purpose of the weight control is to maintain your general good health
- ◆ Breast pumps

NOTICE

Women's Health Cancer Rights Act of 1998

The Health Care FSA as required by the Women's Health and Cancer Rights Act of 1998, includes expenses for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Call ASI at (800) 659-3035 for more information.

Newborns' and Mothers' Health Protection Act of 1996

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's nor newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

DEPENDENT CARE FSA - SETTING UP AND USING



Estimate your total dependent care expenses for the year. Include predictable expenses only.

Select participation in the Dependent Care FSA. Enter your estimated dependent care expenses. Divide your estimate by the number of deductions you will have taken during the calendar year. (Deductions are generally taken out of all regular paychecks of each month.) Contact your payroll/personnel representative if you need assistance.

Receive dependent care services. Dependent care expenses are incurred when the day care is provided **not** when you are billed or pay for the expense. You must receive the dependent care services before you file a claim for those services.

File claims. After you have received the dependent care services, you may submit a claim for those expenses to [Central/ASI](#). Even if you have to pre-pay for dependent care, you must wait to file the claim until the end of the service period you are claiming.

Receive reimbursements. Central/ASI will review your claim, and if approved will reimburse you. Claim reimbursements are issued within one business day of the receipt of your claim up to the amount that you have on deposit in your account. If your claim exceeds your available funds, the difference will be recorded and paid as funds become available from your payroll contributions.

Some important points you should remember regarding the Dependent Care FSA are:

1. This category is an alternative to taking a “Tax Credit” allowed with your tax filing each year. You may receive a tax break on your expenses, but you must choose whether to use the “Tax Credit” or the “FSA”. The IRS will not allow you to receive two tax breaks on the same expenses.

Child Care Credit: The Dependent Care FSA is an alternative to taking a Tax Credit on your tax return. You may claim a tax credit equal to your dependent care expenses (up to \$6,000 per year for two or more dependents or \$3,000 per year for one dependent) multiplied by a percentage. The percentage decreases from a high of 35% to a low of 20% as your household adjusted gross income increases.

The Dependent Care FSA is limited to \$5,000 per year (for you and your spouse together), \$2,500 if married filing separately, for any number of dependents. You will experience “tax savings” throughout the year with every paycheck you receive. If you are subject to the 15% federal tax rate you will save approximately 25% of expenses through the Dependent Care FSA. If you pay a higher federal rate, you will receive an even higher tax break through the Dependent Care FSA.

Generally those employees with a combined taxable income over \$31,000 or paying over \$3,000 for care for only one child will save more through the Dependent Care FSA.

Please contact your tax advisor if you have questions about which is best for you. You must choose whether to use the Tax Credit or the Dependent Care FSA.

2. You and your spouse together may include **up to \$5,000** per year (**\$2,500** in the case of a married individual filing a separate tax return for the calendar year) or the lesser of your (after subtracting all FSA deductions) or your spouse’s earned income for the calendar year. In the case of a spouse who is a full-time student at an educational institution or is physically or mentally incapable of caring for himself or herself, such spouse shall be deemed to have earned income of \$250 per month if you have one eligible dependent in dependent care and \$500 per month if you have two or more eligible dependents in dependent care.
3. You may include only those child/dependent care expenses that you incur in order for you and your spouse to be gainfully employed. Only expenses incurred for the care and well-being qualify for this tax break (education related sports camps, summer school and private school expenses, food and transportation do not qualify). **Child support payments are not allowable.** Day camp fees incurred in order for you to work are allowable but overnight camps are not. Please refer to [The section on Dependent Care FSA Expenses](#) and IRS Publication 503 for further details on qualifying expenses. You may link to this publication from the website at www.mocafe.com. Remember that expenses qualify under the Dependent Care FSA based on the **date incurred, not paid** as stated in Publication 503.
4. Expenses are eligible for payment from the plan based on when **incurred** not when paid. Expenses are **incurred** when your dependent is provided with the care that gives rise to the expense, and **not** when you are billed, charged for, or pay for the care.
5. **YOUR ANNUAL ELECTION CANNOT BE CHANGED**, unless you experience a [qualifying Change in Status](#).
6. Day care expenses are limited to care for children **under age 13**, for whom you have more than 50% custody, or for a relative, who is a dependent for tax purposes, who is physically or mentally incapable of caring for himself or herself and who lives in your home at least 8 hours each day.
7. The expenses may not be paid to your spouse, a child of yours (or your spouse's) who is under the age of 19 at the end of the year in which the expenses are incurred or to an individual for whom you or your spouse is entitled to a personal tax exemption as a dependent.
8. Reimbursable **expenses** must be **incurred** during the portion of the calendar year **after you become a participant**. You must **file claims** for expenses that you incurred during the calendar year **by April 15** following the end of the calendar year. After that, your account will be closed and **you will forfeit any remaining balance** in accordance with federal regulations.

9. If you **terminate employment**, you may continue to file claims for qualifying expenses incurred during the same calendar year until you have been reimbursed the balance in your account. **You must file claims** for expenses that you incurred during the 2012 calendar year **by April 15, 2013**.
10. **You must submit a completed claim form** along with **copies** of invoices or statements **from the provider** to serve as proof that you have incurred an allowable expense in order to receive payment. Statements are **required to include**, the **provider's name**, the **date(s) of service**, a **description of the services**, and the expense **amount**. Copies of personal checks and paid receipts, without the above information, are not acceptable. Documentation and/or copies will not be returned. You will be provided with a supply of claim forms with your election confirmation. Extra claim forms are available from the web site at www.mocafe.com or by calling Central/ASI at (800) 659-3035. Instead of providing the above documentation, you may have the provider complete the dependent care section of the claim form and sign on the line provided. **The dependent care service period must be completed before you file a claim for those services.**
11. **Claim reimbursements** will be made by **direct deposit** into the bank account of your choice. A notice that a payment was made is available by **e-mail**. InfoLine/125 and www.mocafe.com are available 24x7 to check on reimbursements or your remaining balance.
12. The tax identification (ID) number or Social Security Number of the child/dependent care provider should be listed on each of your claim forms and must be provided with your federal income tax return. Please check with your childcare provider (**before** enrolling in this category) to be sure that you are able to obtain their tax ID number or his/her Social Security Number.
13. **You are required to file Schedule 2** with your IRS Form 1040A or **Form 2441** with your IRS Form 1040 to support the amount redirected (pre-taxed) for the calendar year. Please note that this is for informational purposes. You will not pay taxes on the redirected amount. Claim reimbursements made to you under this category are not taxable, but the amount redirected will appear on your W-2 form. This will inform the IRS that you have received a tax break on that expense through the FSA.
14. Participants on leave (paid or unpaid) under **Family Medical Leave** are entitled to terminate coverage during the leave and reinstate coverage immediately on return to work. Such **reinstatement must be made within 60 days of returning to work.**

DEPENDENT CARE FSA EXPENSES

QUALIFYING EXPENSES - partial list only

Expenses must be necessary for you (and your spouse if you are married) to work

- | | |
|--|---|
| <ul style="list-style-type: none"> ◆ Expenses for a dependent care center ◆ Expenses for a "babysitter" ◆ Expenses for care of a dependent under age 13 | <ul style="list-style-type: none"> ◆ Expenses for care of a dependent who is physically or mentally incapable of caring for herself or himself |
|--|---|

NON-QUALIFYING EXPENSES - partial list only

- | | |
|---|---|
| <ul style="list-style-type: none"> ◆ Care while you are not working or looking for work ◆ Care for a child for whom you have 50% or less physical custody ◆ Care for a child age 13 or older who is not disabled ◆ Kindergarten ◆ Summer school ◆ Overnight camps ◆ Separately billed fees for food, transportation, activities, etc. ◆ Summer school education or enrichment | <ul style="list-style-type: none"> ◆ Elder daycare for a dependent with gross income over the Federal exemption limit ◆ Nursing homes |
|---|---|

Sample Claim and Provider Documentation

This day care receipt contains the items the Internal Revenue Code requires:

1. It is signed by the provider of service - **"Ima Sitter"**
2. It contains a description of the services - **"day care services"**
3. It explicitly lists **"1-2-12 to 1-8-12"** as the range of the dates that the day care was provided.
4. It includes the amount charged for the day care **"\$300.00"**; not necessarily the amount paid.
5. It identifies the person for whom the day care was provided: **"Mike Riddick"**

Day care documentation must contain all of these items in order to be processed.

I provided **day care services** for **Mike Riddick** From **1/2/12** to **1/8/12**. The total sum for services provided was **\$300.00**.

Signed **Ima Sitter**

Ima Sitter
123 Main Street
Columbia, MO 65203
SSN 123-45-6789

We must be able to identify the participant.

Separate dependent care documentation is not required if the provider signs the form after the dependent care section is completed.

I. William See, MD
Ophthalmology
2020 Seymour
Crystalview, MO 65201

Service Date	Description	Charge for Services
1/05/12	Eye Exam	\$10.00


Patient's Name **Mary Riddick**

This health care service statement contains the items the Internal Revenue Code requires:

1. It identifies the provider of service: **"I. William See, MD"**
2. It contains a description of the services: **"Eye Exam"**
3. It explicitly states the date of the eye exam: **"1/05/12"**.
4. It includes the amount charged for the exam **"\$10.00"**; not necessarily the amount paid at the time of service.
5. It identifies the person receiving the eye exam: **"Mary Riddick"**

Medical documentation must contain all of these items in order to be processed.

Every request and all documentation must contain all the items shown in blue.



CLAIM FORM

Please read requirements on reverse side

Fax to:
ASIFlex
(866) 381-6682
No Cover Page Required

Page 1 of 2

Riddick, John M.
Last Name, First Name, MI (Please Print)

201 W. Broadway, Ste 4C
Street Address

ASIFlex
Employer

Columbia, MO 65203
City, State, Zip

111-22-4444
Social Security Number or employee ID (EID) as appropriate

Dependent Care Assistance (day care, babysitting, etc.)

Dependent care expenses must be for a dependent who is incapable of self care or under the age of 13 at the time the care was provided.

Name of Dependent	Age	Date Care Provided From	To	Name, Address, and Taxpayer Identification Number of Care Provider	Cost for Care Period	ASI use only
Mike	10	1/02	1/08	Ima Sitter, 123 Main St., Columbia, MO 65203 123-45-6789	\$300.00	
Total Dependent Care Amount Requested					\$300.00	

I provided the dependent care as stated above. **Ima Sitter** **1/08/12** **123-45-6789**
Care Provider's original signature Date SSAN/Tax ID#

Unreimbursed Medical Benefits

Date Medical Care Provided	Name of Medical Provider	General Medical Expense Description. Include medical condition for over-the-counter items.	Patient Name	Relationship	Amount that is your responsibility	ASI use only
1/5/12	I. William See, M.D.	Eye-Exam	Mary	Daughter	\$10.00	
Total Medical Amount Requested					\$10.00	

Please arrange documentation in order listed above.

*Claims for future services will not be accepted.

The undersigned participant in the Plan certifies that all expenses for which reimbursement or payment is claimed by submission of this form were incurred during a period while the undersigned was covered under his/her employer's Flexible Spending Plan with respect to such expenses and that the expenses have not been reimbursed and reimbursement will not be sought from any other source. Any Dependent Care Assistance expenses claimed here were provided for any dependent under the age of 13 or for a dependent who is incapable of self care. The undersigned fully understands that he or she alone is fully responsible for the sufficiency, accuracy, and veracity of all information relating to this claim which is provided by the undersigned, and that unless an expense for which payment or reimbursement is claimed is a proper expense under the Plan, the undersigned may be liable for payment of all related taxes including federal, state, or local income tax on amounts paid from the Plan which relate to such expense.

John M. Riddick
Employee's Signature

ASI
P. O. BOX 6044
COLUMBIA MO 65205-6044
LOCAL FAX (573) 874-0425
TOLL-FREE FAX (866) 381-9682

1/08/12
Date

Mail or FAX to ASI ALONG WITH SUPPORTING DOCUMENTATION
E-mail: claims@asiflex.com
Internet http://www.asiflex.com

The participant must sign the claim form.

FSA CLAIMS FILING REQUIREMENTS

A statement from the independent provider of service showing all of the following must support each item claimed:

- ◆ Name of the service provider/store,
- ◆ Person for whom the service was provided,
- ◆ Date(s) of service (not payment or billing date),
- ◆ Cost of service (not just the amount paid),
- ◆ General description of service/products.

In addition to the above, certain expenses have special documentation requirements:

- ◆ **Cosmetic procedures or medicines:** Generally do not qualify. However, an expense could qualify if purchased/incurred to correct a birth defect or a condition that is a result of an injury. See “note” below.
- ◆ **General good health items:** Exercise programs or equipment, weight loss drugs or programs, vitamins, etc. that are for better health do not qualify for reimbursement. See “note” below.
- ◆ **Massage therapy:** Only qualifies if treating an existing medical condition. See “note” below.
- ◆ **Medical equipment:** Only qualifies if treating an existing medical condition. See “note” below.
- ◆ **Orthodontics:** See [specifics](#).
- ◆ **Over-the-counter medicines & drugs:** See [specifics](#). Due to recent federal legislation, you must also submit a copy of a prescription from your doctor for over-the-counter medicines. The medical condition that is being treated must be stated for **each** item claimed. Vitamins, herbs and nutritional supplements require a diagnosed medical condition by a physician in a statement from that physician along with the list of items **necessary** for treating that condition. Go to www.asiflex.com for more details.
- ◆ **Sperm or egg storage fees:** Generally do not qualify. However, if “temporary” and scheduled for use in the near future, they may qualify. Storage fees associated with undefined use in the future do not qualify.

“Note”: Requires a letter from a physician written within the previous 12 months, stating the nature of the medical condition, the specific equipment, service(s) or item(s) claimed and that it/they is/are essential to (or necessary for) treating that stated medical condition. Merely recommending an item is not sufficient.

Caution: Not all statements you receive from your provider are acceptable to use for supporting documentation for a claim. Please be sure that the statements (receipts) you receive for a co-pay state that they are for a “co-pay” on the statement.

Claim Delivery: You may now file your claim electronically by completing an online claim form. Just scan and attach your documentation (remember to save the scanned images in pdf format). You will receive a confirmation number after you submit your online claim. You may also fax claims to ASI toll-free at (877) 879-9038 (874-0425 in Columbia). Please fax a claim only one time. Notification that a fax was received should be available on the web under Account Detail by the end of the next business day. Additionally, you may mail claims to PO Box 858, Columbia, MO 65205-0858, or drop claims off in Columbia at 201 W. Broadway (Doctors Park), Building 4.

Claims appeals: You will receive written notice of any denied claims. You will have 30 days to file a written appeal of that specific claim denial with the claims office. The ASI claims office will provide you with a written notice of the resolution of this appeal within 60 days of the appeal.

Top 5 reasons claims cannot be paid:

1. The date of service is not on the documentation from the provider. “Balance forward” and “received on account” are not sufficient.
2. The employee does not submit documentation from the provider.
3. Faxed information is not legible or the fax machine cuts off part of a page.
4. The employee forgets to sign the claim form.
5. An expense is claimed twice or the employee faxes the same claim more than once.

TAX SAVINGS EXAMPLE

By electing to direct a portion of your salary through the Cafeteria Plan, you essentially bank your money in a TAX-FREE account. The money is used to pay for expenses that would otherwise be paid out of your take-home pay.

This example shows how *MOcafe* could save this employee \$420 in taxes!

	Without <i>MOcafe</i>	With <i>MOcafe</i>	Savings with <i>MOcafe</i>
Annual Compensation	\$30,000	\$30,000	
Tax Free Expenses	0	1,500	
Taxable Income	\$30,000	\$28,500	
Federal Tax (after \$5,000 exemptions)	6,250	5,830	\$420
Net Paycheck	\$23,750	\$22,670	
After Tax Expenses	1,500	0	
Actual Take Home Pay	\$22,250	\$22,670	\$420

This person could reduce their taxes by \$420 by using *MOcafe*!!

Savings will vary for each participant depending on variable information such as marital status, number of exemptions, and marginal tax bracket. Consult with your tax advisor to determine your actual potential savings.

Election Instructions

During Open Enrollment, you can make your elections on-line or on paper. You do not need to do both.

Online - October 1 to December 1

1. Sign on to www.mocafe.com; then click on "Enrollment."
2. Enter your Social Security Number then click "Begin."
3. You may use the Tax Savings Calculator to help determine your election amounts and estimate your tax savings. You may skip this page if you wish. When finished with this page, click "Continue."
4. Enter your email address if it is not shown or is incorrect. We will use this to send you an election acknowledgement. We will also use this address for direct deposit notification and periodic statements if you enroll in either Section B category. Click "Continue."
5. **Section A** is used to elect for your insurance premiums to be deducted tax-free or taxable.
 - The box under "Elect Pre-Tax" will already be selected for each insurance option to indicate that you want the benefit of tax savings on your qualified insurance premium payments. This means that if you have a premium for that coverage, it will be set up under the cafeteria plan (pre-tax). If you prefer to pay for insurance premiums with after tax dollars, click "Cancel Pre-Tax."
 - Click on "Continue"
5. **Section B** is used to elect the Health Care FSA and/or Dependent Care FSA.
 - Check the box next to the category or categories to make an election. **If you only want your premiums pre-tax**, click "Continue" to skip to step 6, skipping elections for the Health Care FSA & Dependent Care FSA.
 - Complete the per-pay-period and the annual amount boxes. An entry in these boxes appears exactly as it is. For example, 100 is one hundred dollars where as 1.00 is one dollar. Click "Continue"
 - Enter your bank account information (if we currently have bank information for you, you may select "use same"). We will deposit claims payments to this bank account for you and the administrative fee is less. Click "Continue".
 - Click "Send a notice of payment with each direct deposit and any other notices to the email address listed above" or "Do not send payment notices to me." Notices of banking deposits are only sent if an email address is provided.
6. Click "Submit" to get to the summary screen to review your selections prior to finalizing your election.
7. Click "Send this Enrollment" to enroll or click "Make Changes to Form" to correct your election. You are finished if the final screen shows your confirmation number. **Your election is not saved until you click "Send this Enrollment."**
8. Print or save this screen for your records. Click "Done." If you need to make a change before open enrollment closes but after exiting this web site, you simply make a new election using this procedure. The last election submitted is used for your 2012 plan year election.

Paper - October 1 to December 1

You can use the election agreement on the back of this page. Please include your email address so we can send you an election acknowledgment and for direct deposit notification and periodic statements if you elect either Section B category.

Section A: Premium Only Participation (POP):

- Save money (taxes) on your insurance premium costs by checking the "Elect Pre-Tax" box and enter that cost on the "My premium per paycheck" line.
- If you want to pay income taxes on the premium amount, check "Cancel Pre-Tax." This does not cancel your insurance coverage, it just tells the State to deduct your premiums after they tax you on that amount of your wages.
- To make sure you are saving under this program, check the "Elect Pre-Tax" box.

Section B: Health Care FSA & Dependent Care FSA:

- Divide your annual estimate by the number of paychecks you will receive this calendar year. The result is the amount of salary reduction you will have on each paycheck. **Do not include any insurance premiums in the Health Care FSA category. Do not include any medical expense costs in the Dependent Care FSA.**
- Enter your bank account information in the section provided so that we can pay you for your Health Care and/or Dependent Care FSA claims. If you want us to notify you each time a direct deposit is made, check the appropriate box. **If you wish to use the bank account already on file with Central/ASI, then you do not need to attach a voided check.** If you wish to have your claims paid by check, then you do not need to complete the direct deposit section. (Reimbursement by check increases your monthly fee from \$2.96 to \$3.46 per month.)

Sign the election agreement and return it to Central/ASI, P O Box 858, Columbia, MO 65205-0858



Missouri State Employees' Cafeteria Plan
Election Agreement
Plan Year 2012

MOCafe

I wish to have my salary redirected from the first day of _____ through December 31, 2012 in each of the categories below. This agreement is subject to the terms of the Missouri State Employees' Cafeteria Plan, Flexible Medical Benefits Plan, and/or Dependent Care Assistance Plan, and revokes any prior election under these plans. **My cost for qualified insurance plans listed in Section A will automatically be deducted pre-tax unless I select "Cancel Pre-Tax" for a particular Section A category.**

Name _____ - _____ - _____
(Last, First MI) Social Security Number

Street _____

City _____ Agency/Org or University
State, Zip _____

Email address _____

Section A: Premium Only Participation: POP (See instructions on page 19 of the Enrollment Guide).

If you select to cancel pre-tax insurance premiums, it will not cancel your coverage. It will, however, mean that you will pay Federal and State Income taxes, and FICA taxes on all insurance premiums. **If you leave these boxes blank, all of your qualified insurance premiums will automatically be deducted pre-tax, saving you 25% or more on these expenses.** Please note that there is a \$.16 per month administrative fee if you do not cancel the POP.

	<u>Cancel Pre-Tax*</u>		<u>Cancel Pre-Tax*</u>	
Health (State-sponsored only)	<input type="checkbox"/>	Vision (State-sponsored only)	<input type="checkbox"/>	<i>*Selecting "Cancel" does not cancel your insurance coverage or payment.</i>
Dental (State-sponsored only)	<input type="checkbox"/>	Qualifying Voluntary Products	<input type="checkbox"/>	

Section B: Flexible Spending Accounts: FSA (See instructions on page 19 of the Enrollment Guide).

(Elections for both categories in this section will terminate at the end of each year unless you re-elect for the following year)

<i>Do not put insurance deductions in this Section B!</i>	<u>Deduct from each paycheck</u>	<u># of paychecks in 2012</u>	<u>Annual Amt. (\$5,000 or less)</u>
Flexible Medical FSA (excluding insurance premiums)	_____ . _____	_____	____, ____ . ____
Dependent Care FSA (Adult/child care)	_____ . _____	_____	____, ____ . ____

DIRECT DEPOSIT: I authorize Central Bank to credit my account number _____ with (name of bank) _____, routing number _____ with my Health Care FSA and/or my Dependent Care FSA payments. This account is a _____ (checking, savings, money market) account. Please attach a copy of a void check. My administration fee will be \$2.96 per month for Section A & B combined.

Send a notice of payment with each direct deposit to the email address listed above. Do not send payment notices to me.

CHECK: I wish to have a check mailed to me for my Health Care FSA and/or my Dependent Care FSA payments instead of direct deposit. My administration fee will be \$3.46 per month for Section A & B combined.

I have received the **MOCafe** Plan and Enrollment Guide and understand the benefits available to me as well as the other rights and obligations that I have under the Plan. I understand that during the above period this agreement is irrevocable and cannot be changed except under special circumstances as outlined in the Plan and Enrollment Guide.

Employee's signature: _____ Date _____