

PERSONAL CHOICE ACCOUNT

Flexible Benefits Administration

Employer Guide

*Your handbook to implementing and maintaining
a successful Flexible Spending Account*



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Welcome

Congratulations! By selecting a Flexible Spending Account you've taken a critical step in making the most of your benefit dollar.

This guide will walk you through the implementation and management of a successful Flexible Spending Account. We suggest that you initially read it in its entirety and then refer to it if you have questions later. We hope that you will find this information beneficial. If you have other questions not covered in this handbook, we're always just a phone call or email away. Note that all updates to this guide will be sent via email and the most current copy will be available on our website.

Our History

The Personal Choice Account (PCA) was founded in 1986, administered by a wholly owned subsidiary of Blue Cross Blue Shield of Oregon called Associated Administrators Incorporated (AAI) located in Portland, Oregon. Early in 2005, a strategic decision was made to close AAI. During that year the current book of business with AAI was either sold, moved to another carrier, or was absorbed by Regence. On June 6th, 2005, the FSA and HRA administration was transitioned to Regence Life and Health Company, also located in Portland. Prior to the transition, the FSA/HRA product line at AAI was named "The Personal Choice Account". After the transition, "Personal Choice Account" was retained as the name for the FSA and HRA lines of business. Many of the staff that administered the FSA business at AAI transferred to Regence and continue to work for PCA providing many years of experience in FSA administration. The systems that were used at AAI to administer the business, were brought to Regence during the transition, and continue to be used and supported by Regence.

The Value We Bring

- ❖ We care for your employees in the same way we would expect to be cared for.
- ❖ Our staff includes Customer Service Representatives, Financial Account Specialist, Group services Representatives and Claims Analysts with years of FSA specific experience. Our team stays up to date on industry and IRS news and communicates those changes to you.
- ❖ We will support you, the employer, through the entire life cycle of your program.
- ❖ We provide these services at the right price, with no hidden fees.

Implementation

Once you've decided to purchase an FSA program from PCA you'll be contacted by your Group Services Specialist. They will be your "guide" and will assist you with implementation and renewal.

Next, we'll send you a **Plan Design Document** which will help us customize the benefits to your specifications.

Following the design phase, our team will send you additional necessary paperwork including:

- **An Administrative Services Agreement (ASA)**
- **A Business Associates Agreement (BAA)**
- **Non-Discrimination Testing Documents**
- **Funding Documents**
- **Member Direct Deposit Forms**
- **Member Participant Educational Materials**
- **Member Status Change Form and;**
- **Member Enrollment Forms and an Enrollment Spreadsheet**

The paperwork should be returned to our office no later than 15 days prior to the beginning of the Plan Contract Year. In fact, the sooner you can return the documents the better!

A representative from our Financial Account Specialist Team (FAST) will notify you by email once your plan has been set up in our system and will provide you with a user name and password for your secure employer website, www.myflexmoney.com. From that point forward, your FAST representative will be your day to day contact for issues related to contributions, billing, status changes, enrollment and more.

In addition, your CDH Group Service Specialist will periodically check in with you to confirm that our services are meeting your expectations. The process looks something like this:



Maximizing Participation

You will want as many employees as possible to participate in your Flexible Spending Plan. The greater the participation, the higher your return on investment. As an employer, you'll save over 7% per participant in payroll taxes. In other words, for every dollar contributed in pre-tax benefits, you'll save seven cents. Often times your savings will offset a significant portion of the cost of administrative and annual fees.

There are several ways that you can maximize participation.

Education – *Simply, what employees don't understand or have misconceptions about, they won't participate in.* Therefore, education is key! This may mean enrollment meetings, webinars, intranet information, payroll stuffers or simply setting up a table in your employee lounge for a day or a week so employees will have an opportunity to ask questions. If you're local to the Portland, Oregon area, a representative of PCA would be happy to attend these types of educational events free of charge. Please let us know at least 15 days in advance.

Informational Packets – We can send you informational pieces via email that you would print and distribute or add to your company's intranet page. We can also print and mail you packets for new enrollees. If you would like us to print packets please let us know at least 15 days in advance. In some cases, there may be a charge for this service.

Incentive – Did you know that an employer can fund an FSA? Perhaps you'll want to incentivize members to open an FSA by providing some "seed money" or matching contribution? If you'd like to explore this option further please contact your Group Services Representative at implementation or renewal.

Enrollment Process

At implementation (or at renewal for each consecutive year) you'll be provided with Employee Enrollment Authorization and Agreement forms. These are the forms that your employees will use to indicate their annual election and/or pre-tax insurance premium amounts. You will distribute these forms at open enrollment and collect them within a reasonable time before the beginning of the plan year. Note that all implementation or renewal materials are due by the 15th of the month prior to the beginning of the plan year. Employees choosing to waive the FSA should still complete the "Waiver of Participation" portion of the form and return it to you.

PCA will also provide an Excel formatted Enrollment Spreadsheet onto which you will key the employee demographic and election information. In some situations you may have this information housed in a payroll or HR system. Please ensure that *at least* the data fields provided in the enrollment spreadsheet are present on any information sent to PCA. Employee Enrollment Authorization Forms should be kept on file for your records and do NOT need to be sent to PCA if using the enrollment spreadsheet. There is no need to report to PCA those employees who waive participation.

If you are unable to complete the enrollment spreadsheet, hard copies of the enrollment forms (except waivers) may be forwarded to PCA. You must also keep copies of these forms for your records.

Funding Your Employee's Accounts

PCA has various options for funding your employee's accounts. Clients who are new to PCA will be set up using an "Unfunded" model (as described below). This model has become an industry standard and also avoids some of the strict requirements under ERISA which indicate that funded accounts be held in a Trust. Some groups have already established a "Funded" Model and at this time are not being asked to change. Please review the instructions below that fit *your specific arrangement*. Let us know if you have any questions!

Critical Note: Once your renewal or initial implementation is complete you will be notified via email and asked to check your account online to confirm that your members are accurately reflected. This is an extremely important step and should not be neglected. The sooner we can correct employee records (whether it be their address, election amount or the accounts that are shown for them) the easier it will be for all parties involved. If we don't identify a problem until later it will be more time consuming, problematic and possibly risky. Please audit your participant accounts at the beginning of the year ... and we would suggest a quarterly audit for the remainder of the year.

Funded Model

This means that you send contributions pulled from employee paychecks directly to PCA on a per pay period basis. There are three ways that money may be transmitted to PCA.

(1) *Pay by Check* – Prior to your payday (see below regarding timing) please go onto your secure employer website, www.myflexmoney.com and, in the **Reports** section choose **Contribution Billing**. Print off the newest version of the bill (Hint: if there are multiple versions they will be followed by a 'v' and a number. For example, v2).

Review the Billing and reconcile it to your payroll records. If there are any last minute changes (for example status changes, terminations, new employees) please write them on your Contribution Bill. They will also need to be supported by the appropriate Enrollment or Status Change Form. Once your contribution bill is reconciled to your payroll, please mail the check to Personal Choice Account at PO BOX 91049, Seattle WA 98111-9149.

(2) *Pay by Automated Clearing House (ACH) Push* - Prior to your payday (see below regarding timing) please go onto your secure employer website, www.myflexmoney.com and, in the **Reports** section choose **Contribution Billing**. Print off the newest version of the bill (Hint: if there are multiple versions they will be followed by a 'v' and a number. For example, v2).

Review the Billing and reconcile it to your payroll records. Initiate the appropriate ACH to Personal Choice Account using the account numbers provided at implementation. In this funding method, it is very important to be sure that you've sent any New Enrollments and Status Changes to your Financial Account Specialist in advance so that there will be no delay in the posting of funds to member's accounts.

(3) *Pay by Automated Clearing House (ACH) Pull* – One week prior to your pay day you will need to reconcile your payroll with the **Contribution Billing** report found on www.myflexmoney.com. Print off the newest version of the bill (Hint: if there are multiple versions they will be followed by a 'v' and a number. For example, v2).

Confirm that all changes to employee accounts have been recorded on www.myflexmoney.com as found in the Contribution Bill. Up to two days prior to your pay day, an ACH Pull will be initiated from your account in an amount that matches the Contribution Billing. It can take up to two days for the funds to be received in PCA's bank account, at which time we will balance the account and post the funds to your employee FSA's. Note that changes which are not received within a week before the pay day will not be reflected until the next billing cycle.

Importance of Contribution Timing

You will have control over the experience of your participants based on the timing of your contributions. PCA suggests that, if at all possible, you send contributions in advance of your pay period. Many times employees will expect reimbursement (of Dependent Care or Commute Reimbursement Accounts) “on pay day”. We understand, however, that due to capital and cash flow this is not always possible. In lieu of advance payments we do ask that you send in contributions as soon as possible following payroll. We also ask that you explain to participants that Dependent Care and Commute Reimbursement funds will be available “shortly after pay day”.

“The Pool”

When a Health Care Flexible Spending Account is using a “funded” model you may experience a “depleted pool”. This situation may occur for a variety of reasons, but the most common is reimbursement requests that exceed the contribution amounts applied to the plan. An essential part of the 125 Cafeteria Plan is the ability for your employees to claim reimbursements in excess of their contributions but not to exceed their election amounts. This is also known as the “Uniform Coverage Rule” and is described in depth later in this guide.

When a pool is depleted PCA may have no choice but to hold reimbursements (payments) to members until additional funds are received. This creates a hardship for participants and can become an uncomfortable situation since their likely first step is to call PCA’s Customer Service Department thinking that their claim has not yet been processed.

PCA is dedicated to resolving this issue quickly and restoring claim payments with minimal interruption. Therefore, your Financial Account Specialist (FAS) will contact you by phone or email to advise you of the depleted pool. Our Customer Service Representatives will advise employees who inquire that the matter is being addressed and that the billing representative for your company is being notified of the issue. They will further advise your employee to expect a return call within three business days. We will refer them back to your HR Department if no solution is reached within three business days.

Below are two recommended solutions to increasing your pool balance and releasing payments.

Pre-Funding Option

To avoid disruption you may decide to send PCA a pre-fund. This is an amount mutually agreed upon by the employer and PCA which will be used to cover any pool shortage. This amount is not applied to specific participant accounts, but instead, is used as a “cushion” for funding. A suggested pre-fund amount is equal to one month’s aggregate contributions.

If the pre-fund is no longer needed to support the pool it may be refunded upon request or utilized to pay for contributions.

Advance Pay Option

In this option contribution billings for dates that have not yet arrived are paid in advance. The resulting overage of these payments brings the pool up to an amount that covers requested reimbursements.

It is important to know that, with the advance pay option, you do not fund any more than the plan called for originally.

The advance pay option can be helpful because of its minimal impact on accounting. This option is best utilized when the pool balance is only slightly to moderately low.

End of Year Settlement

After the subscribed run out period, members have a period of time in which to appeal claim determinations. Administratively we’ve found that most appeals are handled within 45 days after the end of the run out. During this time we also begin the annual settlement of your account. When the settlement is complete we will notify you.

If there is an overage (more contributions were received than there were reimbursements paid) you will receive a check, commonly known as a forfeiture. If there has been more in reimbursements paid than there were contributions received, you will receive a letter letting you know that there is an “at-risk” amount and you will be required to pay that amount to PCA. Remember that the at-risk amount only applies to Health Care FSA’s since they are subject to the Uniform Coverage Rule (as described in more detail elsewhere in this document)

There are IRS regulations related to what you can do with your forfeiture. Please contact your Tax Adviser or Legal Counsel regarding these regulations. It is common (and compliant) that you use this money to offset future plan year administrative fees.

Unfunded Model

This means that PCA pays claims on behalf of your employees (up to their annual election) and we bill you for the amount that we've paid. In this case, the contributions that you withhold from employee's paychecks are held in your own bank account. There are two ways that money can be transmitted to PCA. It is important to review the pros and cons of each transmission method.

In either case, timely status changes are absolutely critical to avoid claims being paid for participants who should be terminated, or claims being denied for participants who are not yet enrolled.

(1) *Pay by Automated Clearing House (ACH) Pull* – On a daily basis a report will be generated on www.myflexmoney.com showing the amount of claims activity on a given day. PCA will automatically pull the corresponding amount from the Banking Account of your choosing. You must monitor the bank account to assure that there are sufficient funds to cover the pull.

The option of a weekly pull is also available; however, reimbursements will only be made a weekly basis which causes delay for your members. You must explain this to participants.

(2) *Pay by Automated Clearing House (ACH) Push* – On a daily basis a report will be generated in www.myflexmoney.com showing the amount of claims activity on a given day. You must review the reporting on a daily basis and push the corresponding funds to PCA. This must be done on a timely basis.

The option of a weekly push is also available; however, reimbursements will only be made a weekly basis which causes delay for your members. You must explain this to participants.

Choosing to pay via a push method does require an upfront deposit equal to one month's aggregate total of employees annual elections and may require additional funding (beyond funding of reimbursements paid) during the plan year to maintain the pre-fund balance.

If PCA processes a "void / do not reissue" or a refund due to an overpayment, you will receive a paper check made out to your company. The Explanation of Payment attached to the check will notify you that this is a company refund.

End of Year Settlement

After the subscribed run out, members have a period of time in which to appeal claim determinations. Administratively we've found that most appeals are handled within 45 days after the end of the run out. During this time we also begin the annual settlement of your account. When the settlement is complete we will notify you.

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There are IRS regulations related to what you can do with your forfeiture. Please contact your Tax Adviser or Legal Counsel regarding these regulations. It is common (and compliant) that you use this money to offset future plan year administrative fees.

Help Regarding Funding

Your Financial Account Specialist (FAS) will be your day to day contact regarding your funding, contributions, status changes, reporting, billing, etc.

Other Administrative Topics

Uniform Coverage Rule

The IRS Uniform Coverage Rule is part of the "risk sharing" model inherent to a Healthcare FSA. In essence, it allows participants full access to their annual election amount on the first day of the plan year. For instance; if an employee requests reimbursement of an IRS eligible expense which is incurred on January 15th and is equal to or exceeds their full annual election amount, they can be reimbursed in full right away. Usually, they will continue to make their pay roll contributions for the entire plan year. The employer would be "fronting" the money, but it will be a "wash" by the end of the year. If the employee terminates, however, the employer may not have deducted all of the payroll contributions and may be "at risk" for this employee. By IRS rule, the employer may not ask the employee to pay back the "at risk" amount nor may they take the remaining contribution amount from the employees last pay check. In most cases the result at the end of the plan year will be a balance between those who leave the group at risk and those who forfeit unused funds.

Administrative Fees

Administrative Services Fees are billed on a monthly basis and an invoice is sent to you via US Mail just after the first of the month. The billing reflects the number of employees who were eligible in the prior month (and annual or ad-hoc fees if applicable). If an employee was only eligible for a portion of the month, they are still billed for.

In most cases you will have a \$50 minimum administrative fee per month.

Administrative fees are due by the 15th of the month following the bill date.

If you've chosen administration of Healthcare and Dependent Care accounts you will be charged one fee per participant per month (PPPM) whether the employee has only a healthcare (HFSA), or both a healthcare or dependent care account (DCAP). If you've elected administration of a Commute Reimbursement Expense Account (CREA) or a Health Reimbursement Account (HRA) there will be an additional PPPM fee for these accounts. Here is an example based on an employer offering HFSA, DCAP, CREA and HRA.

Employee A – Elects only an HFSA – Charged \$4.50

Employee B – Elects only a DCAP – Charged \$4.50

Employee C – Elects an HFSA and DCAP – Charged \$4.50

Employee D – Elects only a Mass Transit CREA account – Charged \$4.50

Employee D – Elects a HFSA and HRA – Charged \$9.00

Employee E – Elections a HFSA, DCAP, Parking CREA account and HRA – Charged \$13.50

Employee F – Elects both a Mass Transit and Parking CREA account – Charged \$9.00

Status Changes

If an employee experiences a qualified status change event, this should be reported as soon as possible to PCA using a Status Change Form (provided at implementation or renewal and available on our website). Notifying PCA in a timely manner will ensure that our records are updated, reimbursements are paid correctly and administrative bills are accurate. A list of qualified status change events can be found on our website. In all cases, the change to the FSA must be consistent with the event. For instance, the birth of a child does not allow an employee to lower their deduction or terminate their account since it is not consistent with the addition of a dependent. If you have any questions please don't hesitate to contact us.

Irrevocability Rule

The IRS Irrevocability Rule refers to the fact that an election amount (for all benefit types) is “locked in” for that benefit period and cannot be changed after the fact, except in the case of a qualified status change event. *The change in a medical condition or a treatment plan does not constitute a qualified event.* Note that the definition of “benefit period” is specific to the account type, such as CREA which is technically a month to month benefit period.

Deceased Participant

Generally the deceased’s executor or personal representative, acting on behalf of the participant, can request reimbursement for eligible expenses incurred by the employee, spouse and dependents before the employee’s death. Only those expenses incurred by the participant or an eligible dependent prior to the date of death are eligible for reimbursement unless COBRA has been offered and taken by the surviving spouse. The executor or personal representative would be required (as would the employee) to submit the claim form and satisfy the plan’s substantiation requirements. Any claims must be presented before the end of the run-out period specified by the plan. Please note that the deceased’s executor or personal representative can sign the claim form. The spouse, parent or executor would need to note “Power of Attorney” or “spouse of deceased”, etc. next to their signature. We must have notice from the group confirming that the participant is deceased and the date of death in order to accept another person’s signature on the form. *We will not request a death certificate or documentation of Power of Attorney from the surviving spouse or executor of the estate.* If necessary, reimbursement checks in this situation can be issued to “The Estate Of....” with notification prior to claim processing.

Address Changes

Address changes must be in writing. They may be made through the employer and reported by the employer to PCA or the participant may email or fax the PCA Customer Service department. They should include both their old address and new address. Address changes cannot be accepted verbally.

The HEART Act

On June 17th, 2008 the Heroes Earnings Assistance and Relief Tax Act (the "Heart Act") was signed into law. Included in this new provision is a change affecting the Health FSA account.

In summary, the HEART Act amends the Section 125 use-it-or-lose-it rules to allow a plan to pay an employee the balance of his or her health FSA account if the employee is a reservist who is called to active duty for a period of at least 180 days, or for an indefinite period. This payment is referred to as a "Qualified Reservist Distribution" or QRD. Following this somewhat vague notice, the IRS issued additional information in October of 2008 to clarify several points.

While employers are allowed to make some choices related to this new act, the Personal Choice Account (PCA) will use the following administrative guidelines to ease plan customization and burden.

- The QRD will be equal to the amount contributed to the health FSA as of the QRD request, minus the amount of any health FSA reimbursements received as of the date of the QRD request
- The reservist will not be allowed to submit any additional claims after the QRD. Their plan will, in essence, terminate.

Note that a QRD is included in the gross income and wages of the reservist, and is subject to employment taxes. An employer must report the QRD as wages on the reservist's Form W-2 for the year in which the QRD is paid.

Employers must draft and sign a plan amendment for distribution to all employees participating in the plan. You must also provide PCA with a copy of this amendment for our records. The amendment must include the two bullet points above in regard to the administrative guidelines. Employers can amend their plans any time before January 1st, 2010 with a retro effective date back to the first QRD (but no earlier than June 18th, 2009 when the HEART Act was first established).

Upon receipt of your amendment, PCA will make a special QRD Request Form available to you. This form must be sent to PCA *by the employer* and signed *by the employee*.

Automatic Reimbursement

If your health insurance is through Regence we can ease the paperwork burden for your participants by offering Automatic Reimbursement for Health Care Flexible Spending Accounts. Please review the participant FAQ's below to learn more about this feature.

What is the Automatic Reimbursement option? This feature allows you to be automatically reimbursed for medical and dental co-pays, co-insurance and deductibles and pharmacy expenses when claims are processed by Regence without having to submit claim forms or supporting documentation.

How does Automatic Reimbursement work? When Regence receives a medical claim from your provider, they will process and pay the claim according to your benefit contract. When payments are generated for your employer group, an electronic file listing the date of service, the provider's name, the type of service performed and the amount you are responsible for paying is created. PCA enters the claims information provided on the Automatic Reimbursement claims report and reimburses you the portion you are responsible for (co-pay, coinsurance and deductible portions only). Any amount in the column marked "Less Amt Not Covered" on your insurance Explanation of Benefits will not be auto reimbursed.

How will I know how much I will be reimbursed? When a claim is processed by Regence you receive an Explanation of Benefits (EOB). The amount shown in the column called "Patient Balance" is the amount that you will automatically be reimbursed, with the exception of any amount in the "Less Amt Not Covered" column.

Will I be reimbursed more quickly than if I fill out and send in my documentation manually? Not necessarily. The Automatic Reimbursement option is a convenient way for you to be reimbursed without having to send in documentation. You will not be reimbursed until the provider sends in the claim, the claim is processed by Regence and the file is transmitted to Personal Choice Account. File transmission occurs one time per week for medical and dental expenses and twice monthly for pharmacy expenses.

Must I be enrolled in the Regence medical insurance policy to participate? Yes. You must be enrolled on your employer's medical insurance plan through Regence to participate in Automatic Reimbursement.

Can I enroll in Automatic Reimbursement if either I or my eligible dependents are enrolled in another health plan along with Regence? No. You can only enroll in the Automatic Reimbursement option if Regence is your only insurance plan.

Will my dependent's claims be processed through Automatic Reimbursement? Yes. If your dependents are covered by your Regence insurance plan, their claims will also be reported on the Automatic Reimbursement file and you will be reimbursed the amount you are responsible for (minus any amount in the "Less Amt Not Covered" column).

What if a claim that has been reimbursed from my Medical Expense Reimbursement Account is reprocessed by Regence resulting in additional payment to my provider? If Regence reprocesses a claim that you have already been reimbursed for and it results in additional payment to your provider, you will be required to refund PCA for the amount that you were overpaid.

Do I need to enroll in the Automatic Reimbursement option each year? Yes. Your enrollment in automatic reimbursement will not automatically renew each plan year.

Can I disenroll in the Automatic Reimbursement option at any time? Yes. You may call, email or fax a request to PCA customer service to stop Automatic reimbursements. Disenrollment will be immediate, so you will need to begin sending manual claims for reimbursement.

Is there a cost to enroll in Automatic Reimbursement? No, there is no cost to enroll.

If I terminate employment or discontinue participation in the Health Care Flexible Spending Account, do I need to start sending claims manually? No. As long as you are still enrolled in Automatic Reimbursement, and you still have a balance remaining, claims incurred prior to your termination date will still be processed and reimbursed.

Are there any claims that I will need to send in for reimbursement manually? Yes. Over-the-counter items and any medical care that is not a benefit paid by your health insurance, and therefore not submitted for payment (e.g.: medically necessary massage, acupuncture). In addition, amounts in the "Less Amt Not Covered" column will need to be manually submitted if they are not cosmetic services which would not be eligible under your Health Care Flexible Spending Account.

What should I do if I gain other coverage sometime during the plan year? If you become enrolled in another health plan along with your Regence plan at any point during the year, you will need to notify us and disenroll in the Automatic Reimbursement feature.

Run Out Period

Participants are provided a period of 90 days after the end of the plan year to submit expenses to PCA. Requests must be *received* by PCA on or before the end of the run out period (not simply post-marked).

Claims Processing

Letters of Medical Necessity

Because some services or products may have a dual purpose, meaning they could be used to treat a medical condition or could be used for general well being, the IRS requires that administrators obtain proof of medical necessity in these cases. This proof is referred to as a Letter of Medical Necessity or LOMN. Some examples of services that might require a LOMN include weight loss programs, massage, supplements and some equipment.

LOMN's are required one time each plan year, unless the letter specifically states that the medical condition is chronic or ongoing in which case the letter is only needed once for that specific condition/treatment. If the LOMN prescribes the treatment for a limited period of time (i.e. two visits per month for six months) then a new LOMN would be required after that duration has passed.

A valid LOMN can be obtained from the following practitioners:

- Physician (MD, DMD, DDS)
- Nurse Practitioner (NP)
- Physicians Assistant (PA)
- Naturopathic Doctor (ND)
- Homeopathic Doctor
- Osteopath (DO)
- Chiropractor (DC)
- Psychiatrist (PhD/MD)
- Psychologist (PhD)
- Acupuncturist (LAC)

In each case, the recommendation must be within the scope of their practice. For instance, an acupuncturist could write a LOMN for massage, however a dentist could not.

A LOMN **cannot** be from a physical therapist, massage therapist, medical assistant, nursing aide, etc.

A valid LOMN **must** include the following:

- A diagnosed medical condition (due to privacy issues we do not require the letter actually indicate the specific diagnosis—only that there is a diagnosed medical condition being treated)
- The specific treatment being recommended for the condition
- Any time-specific information (such as frequency and duration)

In lieu of a LOMN, we have established a form called a Certification of Medical Necessity for Dual Purpose Item (CERT) which may be completed and signed by any of the practitioners that are qualified to provide a LOMN for the particular treatment, supply or medication involved. This form is available on our website.

Reimbursement Submission

All forms required for submission of reimbursement are available on our website, www.personalchoiceaccount.com or on www.myflexmoney.com (once an employee is participating). We suggest these guidelines when completing the reimbursement request forms:

Supporting documentation must accompany each request. Generally, supporting documentation includes the following:

- An itemized bill showing the dates of service, expense description, provider's name, patient's name and amount of service. Each service must be substantiated by information providing "what, where, who and how much"
- A copy of any "Explanation of Benefits" (EOB) or Payment Voucher from any insurance plan under which the claimant is covered.

Forms of **un-acceptable** documentation include:

- Balance forward statements
- Checks (copies of initial or cancelled checks)
- Bank statements
- Credit card receipts

Participants should not highlight parts of their documentation since information is scanned / microfilmed and highlighted information will appear dark on the image (as well as a faxed document).

Participants should ensure that they complete all identifying aspects of the form including full name, SSN or ID # (or the last four digits of their SSN if desired), their preferred method of communication, their signature and date at the bottom of the form.

Direct Deposit

Participants can elect the option of having their reimbursements deposited directly into their checking or savings account. Once they submit a Direct Deposit Enrollment form, available on our website, they do not need to recomplete it each year. They can change the account that we are depositing into at any time by completing a new form. If they wish to cancel their direct deposit election they simply need to notify PCA in writing via fax or email.

Participants are notified of the dollar amount through an Explanation of Payment in the mail.

Participants should always verify funds with their bank before relying on the money being there. The deposit can take up to two business days to transmit from our bank to theirs. In addition, there are various reasons that a deposit can fail (wrong account numbers, account is closed, etc.). PCA is not responsible for banking fees that a participant may incur.

Check Minimum

There is a minimum paper check amount of \$10.00 per reimbursement. If a participant is owed a reimbursement that is less than \$10.00 the payment will be held until an additional reimbursement comes in at which time the two check amounts will issue together.

At the end of the plan year we do a 'sweep' of all reimbursements under \$10.00 to issue any checks that are still waiting.

There is no minimum reimbursement when a participant is on direct deposit.

Glossary

Allocation – Usually referred to in terms of an HRA. The amount that is set aside specifically for a given participant based on their eligibility factors. Sometimes used interchangeably with annual election.

Annual Election – The amount decided upon by the participant which tells the employer how much they would like to have taken out of their paycheck on a pre-tax basis to fund a spending account.

CDH – Consumer Directed Health

Contributions - Deposits made to a CDH account. May be pre-tax or post tax and may be made by the employer or the employee.

CREA – Commute Reimbursement Expense Account

DCAP – Dependent Care Flexible Spending Account

Forfeiture – The amount returned to the employer at the end of the subscribed period which is the difference between amounts contributed and amounts reimbursed.

HFSA – Healthcare Flexible Spending Account

HRA – Health Reimbursement Arrangement

IRS – Internal Revenue Services

PCA – Personal Choice Account

Plan Year – The specific start and end date in which a participant may incur claims. May be calendar year (Jan-Dec) but doesn't need to be. In some cases this period may be "short" one plan year due to administrative reasons (must be approved by PCA). May be extended by two a half months if the 2.5 month extension is elected (for dependent care of health care).

Run Out – The period of time after the end of the plan year in which members can submit claims incurred during the plan year. The standard is 90 days.

Resources

myflexmoney.com – Secure sign-on site for employers and employees who are already participating with PCA. Includes access to account balance and transaction information as well as a host of reporting for employers.

personalchoiceaccount.com - General website with access to forms, database of covered items, FAQ's and more!

irs.gov – Internal Revenue Service website where you can search for related information under either the IRS code section or key words

Contacting PCA

Employers: Please contact the Financial Account Specialist (FAS) who has introduced themselves to you

Joe Sommer – 503-225-6750 – joe.sommer@regence.com

De Witte – 503-225-6668 – de.witte@regence.com

Kay Springer – 503-225-6691 – kay.springer@regence.com

Sam O'Donnell - 503-225-6682 – samuel.odonnell@regence.com

Participants should contact our Customer Service Team

Phone: 503-412-5688 or 800-334-4340

Fax: 503-225-5353 or 800-979-8987

Email: pca@regence.com

Claim Submissions: pcaclaims@regence.com

Other Staff:

Tom Shearer – Manager

503-225-6676 – tom.shearer@regence.com

Belinda Orr – Operations Supervisor

503-225-6692 – belinda.orr@regence.com

Dona Wallis – CDH Group Services

503-220-6368 – dona.wallis@regence.com

Michael Thomson – CDH Group Services

503-273-4606 – michael.thomson@regence.com

Kate Hartwig – RFP Coordinator

503-225-6602 – kate.hartwig@regence.com

PERSONAL CHOICE ACCOUNT

Flexible Benefits Administration

Addendum 1.0

Online Employer Access

This guide will assist you in accessing your group’s information on our secure employer website, www.myflexmoney.com.

Initial Access

Step 1. Logon to the Internet.

Step 2. Enter the Web Address www.myflexmoney.com

Step 3. The **Login Page** appears.

Step 4. Enter the Username and Temporary Password you were provided.

Step 5. Select **Go**.

(Note: the “First Time” and “Forgot Your Password” prompts on the login page, as well as the link embedded in the text of the login page are intended for participants only. Please do not use these prompts)

Step 6. The new registration / new password page will appear.

Step 7. Enter a new password to use for this site.

Your password must have at least 8 characters (username and passwords are case sensitive), and it must contain one letter and one number.

Step 8. Select **Done**.

Your **Employer Home Page** will appear.

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Online Cash Accounts Management

NOTICE [Payment Billing](#) [Contribution Billing](#)
[Administrative Fee Billing](#) [1 COBRA Events](#)

— Select a task —

Employer Home

- [Manage Census](#)
- [Forms](#)
- [Reports](#)
- [Admin Privileges](#)
- [Employer Notes](#)

Glossary

Having trouble with a term or concept? Visit our online [glossary](#) for help...

User Guide

Need help? Click [here](#) to

Manage Census
Manage your employee census.

Reports
View vital reports.

Forms
Review and access documents needed to manage employee cash account benefits.

Employer Notes
View and add administrative notes to an employer's

From your Home Page, all of the management tools and functions for your group and your employees can be accessed.

There are **three points for navigation**. You can use the left navigation section, the Select a Task drop down, or use the links in the main body of the site.

Employee Census

To work with the employee census, do the following:

Step 1. On the [Employer Home Page](#), select **Manage Census**.

Step 2. The [Manage Census Search Page](#) appears.

Step 3. On the Manage Census Search page, do one of the following:

- To display all employees, leave all fields blank, and select **Search**.
- To display employees whose names start with certain letter or letters, type those letters in the **Last Name** and/or **First Name** fields, and select **Search**.
- To display an employee with a certain Social Security number, type that number in the **SSN** field, and select **Search**.
- To search by Plan Year, select the year from the list box, along with any other criteria, and select **Search**.

Step 4. The [Manage Census Search Results Page](#) appears.

Note: When the results of a search include more than 25 employees, you will see only the first 25 employees. With a census larger than 25 employees, an alphabet listing-search will display on the Search Results list. This tool allows you to search for all the employees whose last name begin with a specific letter.

Step 5. Select the name of the employee you want to work with.

Step 6. The [Employee Profile](#) appears.

The employee profile will bring up the participant's current plan year. If you need to view a past plan year, select Accounts History in the Cash Accounts box and choose the applicable plan year from the "Plan Year Displayed" drop down box.

Reporting

There are numerous reports available to you through your online access. We will highlight just a few of the most commonly used reports. You can access these reports through any of the three navigation methods discussed above (left navigation, Select a Task drop down or through the links on the main page).

Reports will be displayed in Adobe Reader. You can search for specific information on the report by keying Ctrl+F or by using the search features available in Adobe.

On an ongoing basis you will receive an email from Personal Choice Account approximately one week prior to the payroll dates indicating which report you will need to run.

Contribution Billing Report

The Contribution Billing Report is a detailed listing of contribution billing activity for cash accounts. It can be run for a specified billing cycle. This report is for **Funded** accounts only. To run this report, do the following.

- Step 1.** On the **Employer Home Page** select **Reports**.
- Step 2.** The **Reports Page** appears.
- Step 3.** Locate the **Contribution Report/Bill** under **Administrative Reports**
- Step 4.** Specify the billing cycle by selecting one of the radio buttons; if you select billing history, you will need to select the period from the list box.

Note: If there are multiple versions they will be followed by a 'v' and a number. For example, v2. You will need to select the most recent version of your bill (the largest version number)

- Step 5.** Select **View**.
- Step 6.** The **Contribution Billing Report** appears.

Payment Billing Report

The Payment Billing Report is a detailed listing of payment billing activity for cash accounts. It can be run for specified billing cycles. This report is for **Unfunded** accounts only. To run this report, do the following.

- Step 1.** On the **Employer Home Page** select **Reports**.
- Step 2.** The **Reports Page** appears.
- Step 3.** Locate the **Payment Billing Report** under **Administrative Reports**
- Step 4.** Specify the billing cycle by selecting one of the radio buttons; if you select billing history, you will need to select the period from the list box.

Note: If there are multiple versions they will be followed by a 'v' and a number. For example, v2. You will need to select the most recent version of your bill (the largest version number)

- Step 5.** Select **View**.
- Step 6.** The **Payment Billing Report** appears.

Census Report

The Census Report provides a view of cash account selections, contributions and payment detail by employee.

- Step 1.** On the **Employer Home Page**, select **Reports**.

- Step 2.** The **Reports Page** appears.
- Step 3. Locate the **Census Report** under **Administrative Reports**
- Step 3.** Select the plan year for the inquiry from the list box.
- Step 4.** Select **View**.
- Step 5.** The **Census Report** appears.

Changing your password

You will not be prompted to change your password at any specific point, however, for security purposes we do suggest that you change it periodically. Do not share your password with anyone else and do not write your password down.

To change your password click on the link in the upper left hand corner of your Employer Home Page.

Adding a New Employer Administrator

Unless Personal Choice Account is specifically notified, only the documented “Billing Contact” for the group will be provided access to your employer. The Billing Contact will be set up as a “Super Admin” and can add new employer administrators as needed. The Super Admin will also be responsible to remove the access when another administrator terminates or no longer needs access.

To add new users, please do the following;

- Step 1.** On the **Employer Home Page**, select **Administrative Privileges** link.
- Step 2.** The **Administrative Privileges Page** appears.
- Step 3.** Select **Add**.
- Step 4.** The **Add Administrative Privileges** appears
- Step 5.** Enter a real name and username for the user and a secret word or number supplied by the user. The user does not need this to log in, but supplies it over the phone if they forget their password to ensure their identity.
- Step 6.** Select **Submit**.
- Step 7.** The **Add New Admin User - Temporary Password Page** appears with the temporary password. This is the only time the temporary password is available. Should a problem arise you can change the password, but it is highly recommended that you copy this down carefully, or copy and paste into another document for accuracy as this information is case sensitive. (e.g. and email to the new user)
- Step 8.** Select **Done**.
- Step 9.** The **Admin Privileges Page - New User Added** appears.

If a user forgets their password, you cannot tell them their password, but you can reset it on this same screen. It will assign a new temporary password and they must set up a permanent password.