



## The Benny™ Prepaid Benefits Card - Frequently Asked Questions

The IRS allows debit cards to be used to pay for certain expenses covered by your FSA/HRA/HSA plan. However, they have established several rules governing the use of these cards. Health Economics Group and your employer are required to make sure these rules are followed. We have contracted with Evolution Benefits, supplier of the Benny™ Card, on behalf of your plan. If you choose to sign up for the debit card, Evolution Benefits will mail you two Benny™ Cards and detailed instructions for their use. Please read the instructions carefully.

The main advantage of using the Benny™ Card is that it allows you to utilize the funds from your pre-tax health care account directly, without your having to pay in cash or use your personal debit or credit card. The cards are provided by your employer to increase convenience, but please be aware that using the card does not mean you will not have to submit properly documented claim forms for many expenditures. Benny™ Cards enable certain purchases to be cashless, but not always paperless.

### **General Questions on Evolution Benefits' Benny™ Card**

#### **1. What is the Benny™ Card?**

The Benny™ Card is a special-purpose Visa® Card that gives participants an easy way to pay for eligible health care/benefit expenses. The Card lets participants electronically access the pre-tax amounts set aside in their respective employee benefits accounts such as Flexible Spending Accounts (FSAs), Health Reimbursement Accounts (HRAs), and Health Savings Accounts (HSAs).

#### **2. How does the Benny™ Card work?**

It works like a Visa® Card, with the value of the participant's account(s) contribution stored on it. When participants have eligible expenses at a health care provider or pharmacy that accepts Visa debit cards, they simply use their Card. The amount of the eligible purchases will be deducted – automatically – from their account and the pre-tax dollars will be electronically transferred to the provider/merchant for immediate payment.

#### **3. How does the Benny™ Card change how the participant is reimbursed for expenses?**

Before the Benny™ Card became available, participants had to pay for their eligible expenses at the time of purchase, submit claim forms along with all receipts, and then wait for the reimbursement to be processed. Checks were issued and mailed to the participants, who then cashed the checks. In essence, participants “paid twice” – through payroll deduction and then at the point of sale– then they had to wait for reimbursement.

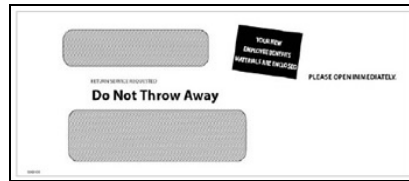
With the Benny™ Card, participants simply swipe their Cards and the funds are automatically deducted from their respective benefit account(s) for payment. The Card eliminates most out-of-pocket cash outlays as well as the need to wait for reimbursement checks. However, in many cases the participant will need to submit receipts to verify that their expenses comply with IRS guidelines.

#### **4. Is the Benny™ Card just like other Visa® Cards?**

No. The Benny™ Card is a special-purpose Visa Card that can be used only for eligible health care/benefits expenses. It cannot be used, for instance, at gas stations or restaurants. There are no monthly bills and no interest.

## 5. How many Benny™ Cards will the participant receive?

The participant will receive two Cards. If participants would like additional Cards for other family members, they should contact Health Economics Group (HEG). Additional cards are \$10 each, which will be deducted directly from the participant's pre-tax account. . Look for the following envelope to arrive by mail:



## 6. Do participants need a new Benny™ Card each year?

As long as the respective employee benefit account(s) remain part of the participant's benefit plan and the participant elects to participate each year, the Benny™ Card will be loaded with the new annual election amount at the start of each plan year or incrementally with each pay period, based on the type of account(s) the participant has.

## 7. What if the Benny™ Card is lost or stolen?

Participants should call Health Economics Group to report a Card lost or stolen as soon as they realize it is missing, so that HEG can turn off the current Card(s) and issue replacement Card(s). Replacement cards are \$10 each, which will be deducted directly from the participant's pre-tax account.

## **Getting Started and Activating Your Card**

### 1. How do participants activate the Card?

Participants should call the toll-free number on the activation sticker on the front of the Card or visit the web site on the back of the Card. Participants can use both Cards once the first Card is activated – they do not need to activate both. They may need to wait 1 business day after activation to use their Cards. Each Card user should sign the Card with his or her own name.

### 2. What dollar amount is on the Benny™ Card when it is activated?

The dollar value on the Card will be the annual amount that participants elected to contribute to their respective employee benefit account(s) during their annual benefits enrollment. Eligible expenses will be deducted from that total dollar amount as participants use their Cards or submit manual claims.

## **Using the Card**

### 1. Where may participants use the Benny™ Card?

The Benny™ Card can be used to pay for eligible health related services at providers/merchants that offer these goods or services and accept Visa® prepaid benefit cards. Participants can find out additional information on where their Cards can be used by clicking on [www.evolutionbenefits.com](http://www.evolutionbenefits.com) for links to the IRS publications. Participants should be sure to review their current benefit plan or contact Health Economics Group for a list of eligible expenses.

IRS regulations allow participants to use their Cards in participating pharmacies, discount stores, department stores, and supermarkets that can identify FSA/HRA-eligible items at checkout. Participants can find out which stores are participating by visiting the web site on the back of the Card or consulting Health Economics Group. If participants use their Cards at pharmacies, discount stores, department stores, and supermarkets that do not participate the Card transaction may be declined. Participants can continue to use their Cards at health care providers, such as hospitals, doctors, and dentists.

### 2. Are there places the Benny™ Card won't be accepted?

Yes. The Card will not be accepted at locations that do not offer the eligible goods and services, such as hardware stores, restaurants, bookstores, gas stations and home improvement stores.

Cards will not be accepted at pharmacies, discount stores, department stores, and supermarkets that cannot identify FSA/HRA-eligible items at checkout.

### **3. If asked, should participants select "Debit" or "Credit"?**

The Benny™ Card is actually a prepaid card. But, since there is no "prepaid" selection available, participants should select "**Credit.**" Participants do not need a PIN and cannot get cash with the Benny™ Card.

### **4. How does the Card work at participating pharmacies, discount stores, department stores, and supermarkets?**

- a. Bring prescriptions, vision products, OTCs and other purchases to the register at checkout to let the clerk ring them up.
- b. Present the Card and swipe it for payment.
- c. If the Card swipe transaction is approved (e.g., there are sufficient funds in the account and at least some of the products are FSA/HRA-eligible), the amount of the FSA/HRA-eligible purchases is deducted from the account balance. The clerk will then ask for another form of payment for the non-FSA/HRA-eligible items.
- d. If the Card swipe transaction is declined, the clerk will ask for another form of payment for the total amount of the purchase.
- e. The receipt will identify the FSA/HRA-eligible items and may also show a subtotal of the FSA/HRA-eligible purchases.
- f. In many cases, the participant will receive requests for receipts to substantiate FSA/HRA-eligible purchases made in participating pharmacies, discount stores, department stores, or supermarkets. However, once substantiated, recurring transactions within the plan year (Ex. same provider, same co-pay) will automatically be substantiated.

### **5. Why do participants need to save all of their itemized receipts?**

Participants should always save itemized receipts for FSA and HRA purchases made with the Benny™ Card. They may be asked to submit receipts to verify that their expenses comply with IRS guidelines. **Each receipt must show: the merchant or provider name, the service received or the item purchased, the date and the amount of the purchase.**

### **6. What if participants lose their receipts or accidentally swipe the Card for something that's not eligible?**

Usually the service provider can recreate an account history and provide a replacement receipt. In the event that a receipt cannot be located, recreated, or if the expense is ineligible for reimbursement, the participant can send a check or money order so the amount can be credited back to the participant's FSA/HRA/HSA account. Checks should be made payable to their employer and mailed to Health Economics Group.

### **7. May participants use the Benny™ Card for prescriptions ordered prior to activating the Card?**

No. The Card must be activated prior to the order and/or purchase date of prescriptions. In some cases, participants need to wait 1 business day after activating the Card to purchase prescriptions at their pharmacy. For example, if the Card is activated on Tuesday, a prescription can be ordered and picked up on Wednesday.

### **8. May participants use the Benny™ Card if they receive a statement with a Patient Due Balance for a medical service?**

Yes. As long as they have money in their account for the balance due and the provider accepts Visa debit cards, participants can simply write the Card number on their statement and send it back to the provider. However, the balance due charge **MUST** be for services incurred during the plan year.

### **9. How do participants know how much is in their account?**

They can visit their personal Account Summary page at [www.MyBenny.com](http://www.MyBenny.com) and view their account activity and current balance. Or, they can call Health Economics Group at 585-241-9500, extension 504 or 800-666-6690, extension 504 to obtain their current balance.

### **10. What if participants have an expense that is more than the amount left in their account?**

When incurring an expense that is greater than the amount remaining in their account, participants may be able to split the cost at the register. (Check with the merchant.) For example, participants may tell the clerk to use the

Benny™ Card for the exact amount left in the account, and then pay the remaining balance separately. Alternatively, participants may pay by another means and submit the eligible transaction manually via a claim form with the appropriate documentation to Health Economics Group.

**11. What are some reasons that the Benny™ Card might not work at point of sale?**

The most common reasons why a Card may be declined at the point of sale are:

- a. The Card has not been activated.
- b. The Card has been used before the 24-hour period after activation is over.
- c. The participant has insufficient funds in his or her employee benefit account to cover the expense.
- d. Non-eligible expenses have been included at the point-of-sale. (Retry the transaction with the eligible expense only.)
- e. The merchant is encountering problems (e.g. coding or swipe box issues).
- f. The pharmacy, discount store, department store, or supermarket cannot identify FSA/HRA-eligible items at checkout according to IRS rules.

**12. Is the participant responsible for charges on lost or stolen Benny™ Cards?**

If Health Economics Group and the issuing bank are notified within 2 business days, the participant will not be responsible for any charges. If the notification is after 2 days, the participant may be responsible for the first \$50 or more. Replacement Cards may be purchased.

**13. Whom do participants call if they have questions about the Benny™ Card?**

Call Health Economics Group at 585-241-9500, extension 504 or 800-666-6690, extension 504.

**14. Can a participant use the Benny™ Card to access last year's money left in the account this year?**

The IRS allows for a limited grace period in the current year to use up funds carried over from the prior year. Check with Health Economics Group to find out how the grace period is handled for your specific program.

**15. How will a participant know to submit receipts to verify a charge?**

The participant will receive notification from Health Economics Group if there is a need to submit a receipt. All receipts should be saved per the IRS regulations.

**16. What if a participant fails to submit receipts to verify a charge?**

If receipts are not submitted as requested to verify a charge made with Benny™ Card, then the Card may be suspended until receipts are received. The participant may be required to repay the amount charged. Health Economics Group will advise the participant that the Card has been suspended, if a receipt is not received. Submitting a receipt or repaying the amount in question will allow the Card to become active again.

While debit cards such as the Benny™ Card are becoming popular, the IRS is in process of modifying and/or clarifying rules for their use. At the same time medical providers and some merchants are still adopting the technology to enable electronic substantiation of health related eligible purchases. If you have questions about how the Benny™ Card works or how to deal with sometimes complicated rules, contact Health Economics Group. Trained staff will see that you receive the assistance you need.

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