

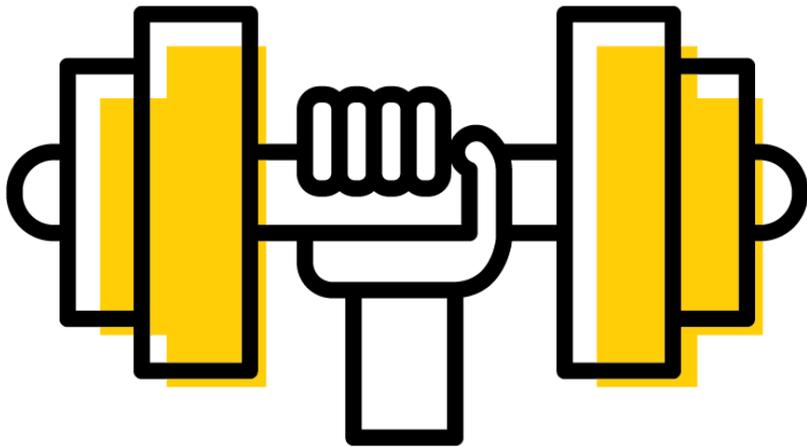
**IOWA**

**2021**  
**FLEXIBLE SPENDING**  
**ACCOUNT**

**PROGRAM GUIDE**



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**Gym memberships require a letter of medical necessity.**

**Find more information on page 20 under common claims & standard documentation.**

*The university reserves the right at any time to modify or amend, in whole or in part, or terminate the benefits provided in this booklet with respect to any individual receiving benefits. Although the university has elected to provide these benefits, no individual has a vested right to any of the benefits provided. Nothing in this booklet gives any individual the right to continued benefits beyond the time the university modifies, amends, or terminates the benefit. Anyone seeking or accepting any of the benefits provided will be deemed to have accepted the terms of the benefits programs and the university's right to modify, amend or terminate them.*

*Every effort has been made to ensure the accuracy of this book; however, if statements in this book differ from applicable contracts, certificates, and riders, then the terms of those documents will prevail. All benefits are subject to change.*

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# PROGRAM OVERVIEW

***The University of Iowa offers faculty and staff the opportunity to pay for qualified health care and/or dependent care expenses with pre-tax dollars using a Flexible Spending account (FSA).***

An FSA allows you to set aside pre-tax dollars into an account to use for reimbursement of eligible expenses. By participating in an FSA, you lower your taxable income as contributions are made on a tax-free basis.

*The Health Care FSA is used to pay for eligible out-of-pocket medical, vision, and dental care expenses for you and your eligible dependents.*

*The Dependent Care FSA is used to pay for eligible dependent care expenses such as daycare for a dependent child under the age of 13, or elder care for a dependent adult while you and your spouse, if married, work (or if your spouse is a full-time student or disabled).*

You may choose to contribute to one or both of these accounts. You can contribute unused benefit credits and/or pre-tax dollars to your FSA(s) through payroll deductions.

Unused benefit credits automatically default into a Health Care FSA or can be designated to a Dependent Care FSA through the enrollment process. As you incur qualified expenses, you can claim amounts equal to your entire annual health care contribution from your Health Care FSA at any time during the year. You may only receive reimbursement up to the amount available in your Dependent Care FSA at the time you make the request for reimbursement.

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# ELIGIBILITY

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## WHO IS ELIGIBLE TO PARTICIPATE?

Faculty and staff paid on a monthly basis, whose salary is subject to state and federal taxes.



Benefits eligible employed graduate students or postdoctoral scholars if paid on a monthly basis with income subject to state and federal tax withholding.

## WHEN ARE YOU ELIGIBLE?

You are eligible to enroll when you are hired or become newly eligible for benefits. You may also enroll during the annual benefits open enrollment period, which normally takes place in November, with elections effective the first of the following year.

You may be eligible to enroll or change your elections during the year if you experience a qualifying event. A [list of events](#)  that allow you to make changes is available on our website.

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# ANNUAL CONTRIBUTION LIMITS

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## HEALTH CARE

**For 2021, you may contribute up to \$2,750.**

If you and your spouse each have a health care FSA, you may each contribute up to the annual maximum; however, you may not submit the same claims to both accounts for reimbursement.

## DEPENDENT CARE

**You may contribute up to \$5,000 per**

**household.** If your tax filing status is married filing separately, you and a spouse may each contribute up to a maximum of \$2,500 annually.

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# ENROLLMENT

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Eligible faculty and staff can enroll in the FSA program when hired into a benefit eligible position. Enrollment must be completed within our first 30 days of employment. You cannot enroll, change or cancel our contribution amount during the year unless you experience a qualifying event. The change must be consistent with the qualifying event. For more information, our website.

## ➔ PRIOR TO ENROLLING

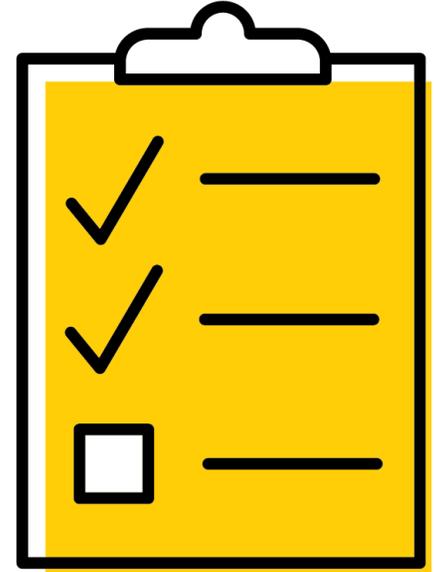
Determine the annual contribution you want to make to a health care and/or dependent care FSA. These accounts are subject to the IRS "Use it or Lose it" rule. Contribute only the amount you are reasonably sure you will spend on qualified expenses annually.

Your expenses must be incurred by December 31 of the current plan year. Any unclaimed funds in your FSA as of April 30 of the following year are forfeited. Further, you cannot transfer funds between the two types of accounts.

## ➔ COMPLETE YOUR ENROLLMENT

Once you have determined your annual contribution amount, you will need to complete your Benefits Enrollment through Employee Self Service. Enrollment in the FSA program may also occur during the annual open enrollment event each year.

Employed grad students and postdoc scholars, who do not have access to Employee Self Service, should complete the [Salary Reduction Agreement for Spending Accounts form](#)  to complete your enrollment.



## ➔ YOUR CONTRIBUTIONS

Your annual contribution is split in equal amounts over 12 paychecks. If you enroll mid-year, deductions will be equally split among the remaining paychecks of the year.

The online enrollment system only allows you to enter the maximum monthly amount based on 12 months. If you are enrolling midyear and want to contribute more than the system allows, please contact University Benefits by email at [benefits@uiowa.edu](mailto:benefits@uiowa.edu).

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# EFFECTIVE DATE

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The eligibility period begins the first of the month following your enrollment or change in benefits. Reimbursements can only be processed for expenses incurred on or after your effective date through the end of the applicable plan year.

### IMPORTANT

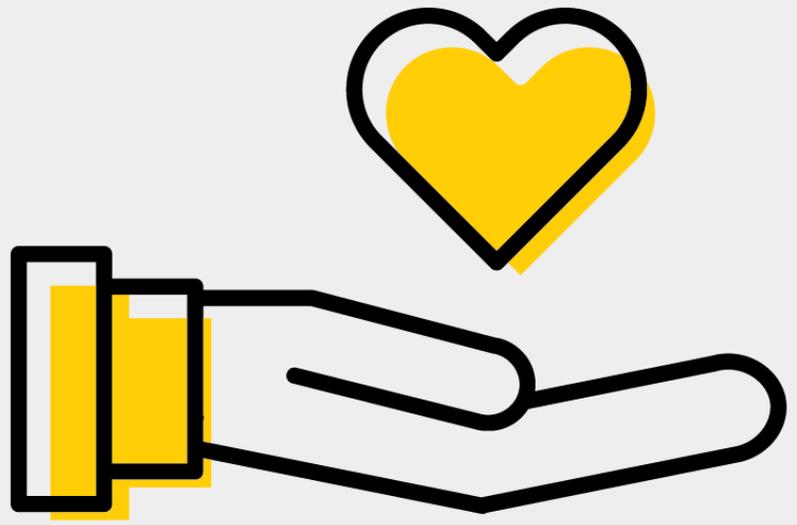
*You must re-enroll in your FSA(s) each year at open enrollment in order to participate for the upcoming year.*

*Outside of open enrollment, you can only make a change to your FSA if you have a qualifying event. A request for change must be made within 30 days of the event unless specified otherwise. Changes permitted are limited to those consistent with the reason for the change.*

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# MAKING CHANGES TO YOUR FSA

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## QUALIFYING EVENTS TO MAKE CHANGES

Certain qualifying events allow you to increase or decrease your election if you are already participating. Some events allow you to newly enroll.

### HEALTH CARE FSA

- Marriage
- Divorce / legal separation
- Birth or adoption (changes must be made within 60 days)
- Death of a spouse or eligible dependent
- Change in employment status that affects the eligibility of an employee, spouse, or dependent
- Loss or gain of health or dental coverage if change impacts your out of pocket health care costs
- Entitlement to, or loss of eligibility for, Medicare/Medicaid/SCHIP for employee or dependent

You can change your FSA contribution(s) during the annual open enrollment period which is typically held in November with changes effective January 1.

### DEPENDENT CARE FSA

- Marriage
- Divorce / legal separation
- Birth or adoption (changes must be made within 60 days)
- Death of a spouse or eligible dependent
- Dependent no longer eligible (a child reaches age 13)
- Change in employment status that affects the eligibility of an employee, spouse, or dependent
- Change in childcare provider / significant change in cost

## Examples that would allow you to make a change to your:

### HEALTH CARE FSA

1. If you cease to be married, you may decrease your election due to your former spouse losing eligibility. You may enroll or increase your own election only if you have lost coverage under your former spouse's Health Care FSA plan.
2. If you gain a dependent, you may enroll in or increase your election due to the addition of a dependent. If you lose a dependent, you may decrease your election due to loss of eligibility.

### DEPENDENT CARE FSA

1. You may enroll or increase your election amount to take into account the daycare expenses of new dependents.
2. You may enroll or increase your election if coverage is lost under your spouse's Dependent Care FSA.
3. You may decrease your election or cancel coverage if dependent eligibility is lost.
4. You may increase or decrease your election consistent with a change in qualified Dependent Care expenses.

If you experience a qualifying event mid-year that would allow you to increase or decrease only your FSA amounts only, please submit a [Salary Reduction Agreement form](#)  to University Benefits. Changes become effective the first of the month following the event.

*The University of Iowa reserves the right to require documentation to verify a qualifying event at any time.*

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# CONTINUATION OF FSA ENROLLMENT

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FSA's are an IRS-regulated benefit, and your FSA enrollment does not carry over from year to year.

If you participate in the FSA program through pre-tax salary contributions, you must re-enroll each year during open enrollment if you wish to continue to participate for the following tax year. Unused credits will automatically default to a Health Care FSA. If you would like to contribute your own funds through salary reduction or designate unused credits to a Dependent Care FSA, you must actively make an election and complete your open enrollment event.

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## SUBMITTING CLAIMS

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### ➔ WHAT YOU CAN SUBMIT

If you pay out-of-pocket for eligible expenses, you may file a claim for reimbursement after you or your eligible dependents receive services or make eligible purchases.

### ➔ METHOD OF SUBMISSION

Submit claims online through Employee Self Service. Online submissions allow for easy tracking during the auditing process and eliminates the need to make copies of claims as documentation is maintained in the online system.

Each claim you submit stands alone based on the supporting documentation provided with the applicable claim. For example: You cannot reference documentation submitted on a previous claim in lieu of attaching it to a claim submitted at a later date.

**NOTE: Claims will be returned if they are difficult to interpret or information is missing.**

### ➔ ONLINE CLAIM SUBMISSION PROCESS

1. Log in to Employee Self Service
2. Go to the "Benefits & Wellness" tile
3. Select "Health & Dependent Care Flexible Spending
4. Select "Start a Health Care Claim" or "Start a Dependent Care Claim"
5. Complete the information required
6. Upload your documentation and attach to the claim
7. Select "Submit Claim to Benefits"
8. Your claim will be processed within 20 business days of receipt

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# PROCESSING TIMELINES

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Claims are generally processed within twenty (20) business days of receipt.

Processing time may be longer during peak times (generally December through April).

Claims are processed in the order they are received. If additional information is required, reimbursement will be delayed. Claims are processed for payment daily; because of claim volume, we cannot guarantee claims received on a certain day will be processed on that day's payment cycle.

In addition, if the University or banking system is closed, the payment will be delayed to the next appropriate business day. Find more information on FSA processing timelines on our website.

## IMPORTANT DEADLINES

- Expenses must be incurred by December 31 of the year in which funds are contributed to the spending account.
- You may file for reimbursement at any time during the year, but no later than April 30 of the next year, for services received during the applicable plan year.
- If you terminate employment during the year, health care spending account expenses must be incurred by the last day of the month in which your employment ends. You have until the end of the year to incur expenses for dependent care.

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## RECEIVING PAYMENT

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To authorize the university to deposit your FSA payments directly into a bank account, you must set up direct deposit for your Benefits Spending Account. This can be done in Employee Self Service under the "Time & Pay" tile.

To receive reimbursement as quickly as possible, direct deposit should be set up prior to submitting your first claim. Setting up direct deposit is required in order to submit claims. If direct deposit is not set up prior to your first claim, payment will be made to you by paper check to the home address we have on file for you and it may take up to three weeks to receive payment.



1. Log in to Employee Self Service
2. Find and select the "Time & Pay" tile
3. Under PAYCHECK, select "Direct Deposit" (Requires two-step confirmation)
4. Complete the two-step verification. Select account type to be changed "Benefits Spending Account"
5. Read and check the boxes in the yellow boxes
6. Enter the information as directed and save.

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# HEALTH CARE FLEXIBLE SPENDING ACCOUNT

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Qualified medical expenses can be reimbursed tax-free through your Health Care Flexible Spending Account. These expenses are defined by the Internal Revenue Code and the University of Iowa Health Care Flexible Spending Account Plan. The IRS defines qualified medical expenses as the costs of diagnosis, cure, mitigation, treatment, or prevention of disease, and the costs for treatments affecting any part or function of the body. Medical care expenses must be primarily to alleviate or prevent a physical or mental defect or illness. They don't include expenses that are merely beneficial to general health.

Participants are responsible for ensuring the expenses are acceptable per the IRS and plan guidelines, and supporting documentation includes the proper information when submitting a claim for reimbursement. University Benefits maintains records of your payroll deductions, the total amounts requested, and funds available.

You can request reimbursement for eligible expenses, up to your annual pledge, at any time during the year the account is active. Any funds pledged to an FSA for which eligible expenses are not incurred by December 31 will be forfeited. Balances remaining at the end of the plan year, for which eligible expenses have not been incurred and submitted, cannot be carried over into the next year.



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## ELIGIBLE DEPENDENTS

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You can use your account to receive reimbursement for qualified expenses for yourself, your spouse and qualifying tax dependent(s) under the Internal Revenue Code.

*This program is not available for the reimbursement of expenses for a domestic partner who is not a qualified tax dependent.*

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# ELIGIBLE EXPENSES

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When submitting a claim for reimbursement, you are responsible for ensuring the expenses are allowable per the IRS and plan guidelines, and appropriate supporting documentation is provided. This document is a guide. For more information, refer to the [University Benefit website](#)  IRS Publication 502, or consult your tax advisor.

Expenses that have been reimbursed or could be reimbursed under another FSA plan are not eligible. You can only be reimbursed for expenses incurred while you are enrolled in the plan. The date you are billed or pay for the item or service is not relevant.

A list of [eligible expenses](#)  can be found on our website. The list is intended to be a general guide of eligible expenses and is not all-inclusive. All expenses are subject to change in accordance with plan and IRS regulations. Further, this list does not guarantee reimbursement.

Any expense that may be covered by an insurance plan must be processed by the insurance company first before consideration can be given for reimbursement from a Health Care FSA.

The **key** to making the most of your Health Care FSA is understanding the expenses that qualify for reimbursement.

## Over-the-counter medications

Effective Jan. 1, 2011, Federal regulations established that distributions from a health care FSA would only be allowed to reimburse the cost of over-the-counter medicines or drugs with a Rx. New Federal regulations included in the CARES (Coronavirus Aid, Relief and Economic Security) Act which passed on Mar. 27, 2020 establish distributions from Health Care FSAs will be allowed to reimburse the cost of over-the-counter medicines or drugs without a prescription. This update is retroactive to purchases made on Jan. 1, 2020 or later.

## Expenses Requiring a Letter of Medical Necessity

Products and services that may be used for general health or cosmetic purposes are generally ineligible. If a medical condition necessitates the purchase of a potentially eligible item or service, the expense may qualify for reimbursement under your Health Care FSA. In order to be considered for reimbursement, the item or service must be prescribed by a licensed healthcare provider and you must submit a [Letter of Medical Necessity \(LMN\)](#).  If approved, the letter is valid for 12 months from the issue date. The letter must be valid on the date the expense is incurred to be eligible for reimbursement. The LMN must include patient name, medical diagnosis, specific product or services recommended for treatment, begin date of treatment, provider's signature, and license number.

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# INELIGIBLE EXPENSES

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Items or services that are purchased for personal hygiene, cosmetic, or general health purposes are ineligible expenses. Please note that submitting a Letter of Medical Necessity for items which are ineligible does not make the item eligible for reimbursement. University Benefits has the right to determine whether an item is considered eligible for reimbursement in accordance with IRS and plan guidelines. If an item is indicated as FSA eligible on a receipt, it does not guarantee the item is eligible under the University of Iowa FSA plan.

**Packages purchased which contain any ineligible items make the entire purchase ineligible.**

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# COMMON CLAIMS & STANDARD DOCUMENTATION

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## CLAIMS SHOULD BE SUBMITTED USING THE FOLLOWING INFORMATION



For medical services, use the date of service and not the payment date.



Name of provider, or service, or vendor of purchase.



Name of patient



Amount paid for service or amount listed as patient responsibility on EOB

### NOTE:

Medical expenses that can be reimbursed to you through any other source, such as group health insurance, are not reimbursable. Per IRS and plan guidelines, any expense covered by an insurance plan must be processed through the insurance plan before consideration can be given for reimbursement from a Health Care FSA. **The Explanation of Benefits (EOB) from the insurance plan will be required for processing.**

***The following is a list of some common claims and the standard documentation required for processing:***

## Type of Expense

## What you will need to submit to University Benefits

### **Copay, Coinsurance, Deductible**

Any expense that includes insurance processing, or any expense covered by insurance (medical, dental, vision - including eye exams)

- Explanation of Benefits (EOB) from your insurance provider
- Itemized statement for any expense listed on EOB but not covered (denied) by insurance plan (visit p. 19 Expenses Not Covered by Insurance section)

### **Orthodontia Service**

Documentation requirements for orthodontia claims vary based on the provider of the service.

*If your insurance plan pays more than expected after you have received reimbursement through your flexible spending account, you are responsible for paying back the "covered" portions to your spending account.*

Please visit our site for more information on [Orthodontia Expenses](#) 

#### **For Delta Dental Providers:**

First claim submission - use date payment was made as the date of service. On the claim: Attach the following documentation:

- Treatment contract (sometimes called a payment plan, financial agreement, or truth in lending statement),
- Paid receipt showing: name of patient, name of provider, amount paid, date of payment, and description of services received

Additional submissions (if applicable):

Use date of payment for date of service. Attach a paid receipt including the patient's name, name of provider, amount paid, date of payment, and description of services received.

You may only request reimbursement for the dollar amount on the paid receipt.

#### **For Non-Delta Dental Providers:**

First submission - use date payment was made as date of service. Attach the following:

- Treatment contract,
- EOB showing date of service from the same month of payment, and
- Paid receipt showing: patient name, provider, name, amount paid, date of payment, and description of services.

Additional submissions (if applicable):

Use payment date as date of service. Submit EOB and paid receipt with patient and provider name, amount paid, date of payment, and services received. You may only request reimbursement for the dollar amount on the paid receipt LESS the payment amount received from your dental insurance.

### **Prescription Medications**

- Rx tag from the pharmacy showing name of vendor/pharmacy, patient's name, date of fill, cost of prescription/amount paid, insurance plan (if applicable), and name of drug
- Documentation from pharmacy (must include the above information)
- Prescriptions must be submitted by the fill date rather than the paid date shown on the receipt
- NOTE: Cash register receipts are not needed nor desired for reimbursement of prescription medications

### **Over-the-Counter (OTC) Medications**

- Receipt clearly showing the item that was purchased and date of purchase
- If item cannot be identified by the description on the receipt, a copy or photo of the packaging will be requested.

Type of Expense	What you will need to submit to University Benefits
<p><b>OTC Items</b> (medical supplies, first aid supplies, contact solution, etc.)</p>	<ul style="list-style-type: none"> <li>• Receipt with a clear description of the item purchased, the amount paid for the item, the date of purchase, and the name of the vendor</li> <li>• If the item is covered by insurance (e.g. wheelchairs, breast pumps, crutches, walkers, etc.) the EOB will be required for processing</li> <li>• If item cannot be identified by the description on the receipt, a copy or photo of the packaging will be requested.</li> </ul>
<p><b>Expenses not Covered by Insurance</b> (e.g. acupuncture, contact lens fitting, LASIK, etc.)</p>	<ul style="list-style-type: none"> <li>• An itemized statement from the service provider, which includes patient's name, date(s) of service, description of services, provider name, and the charges for the service.</li> <li>• Signed statement indicating there is no insurance coverage for the service provided</li> <li>• For contact lens fittings at UIHC Ophthalmology Department, the document is an Itemized Receipt for Flex Spending.</li> </ul>
<p><b>Gym Memberships</b></p>	<ul style="list-style-type: none"> <li>• Requires a statement or invoice from the gym/facility displaying the participant's name, description of the charges, amount of the charges, and the date of the payment. <b>**Requires a <a href="#">Letter of Medical Necessity</a>.</b> </li> <li>• If the charges are for a set period of time, the claim can only be processed at the conclusion of the time period.</li> <li>• If the charges are for a number of sessions, the claim can only be processed when all the sessions have concluded. <ul style="list-style-type: none"> <li>◦ A document showing the dates that each class/session occurred must be included when pre-purchasing multiple sessions</li> </ul> </li> </ul>
<p><b>Online Purchases</b></p>	<ul style="list-style-type: none"> <li>• Order summary</li> <li>• Document must clearly indicate the date the item was ordered/purchased from the vendor. Claims should be filed by the date the order was placed, which may be different than the date paid or the date shipped.</li> <li>• Letter of Medical Necessity or prescription, if necessary</li> </ul>
<p><b>Mileage to and from Appointments</b> (2021 rate: \$0.16/mile; 2020 rate: \$0.17)</p>	<ul style="list-style-type: none"> <li>• Include completed <a href="#">mileage worksheet</a> </li> <li>• Proof of appointment (EOB or billing invoice which shows date of service) must accompany mileage worksheet</li> </ul>
<p><b>Expenses Purchased Internationally</b> (for medical condition)</p>	<ul style="list-style-type: none"> <li>• Eligible expenses incurred internationally are reimbursable from an FSA</li> <li>• Documents must be translated to English or otherwise be easy to interpret</li> <li>• A document showing the currency exchange rates for the date the purchase was made is required if the expense was paid for using a foreign currency.</li> </ul>
<p><b>Massage Receipts</b> (for medical condition)</p>	<ul style="list-style-type: none"> <li>• Receipt must include name of person receiving massage, date of massage, description of service, massage therapist's name and license number, and cost before gratuity.</li> <li>• Gratuity is not an eligible expense</li> <li>• Proof of a documented medical condition IS NOT REQUIRED for reimbursement.</li> </ul>

# DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

The Dependent Care Flexible Spending Account allows for tax-free reimbursement of eligible expenses for the care of a qualified individual. Expenses claimed must be for care required so that an eligible employee (and spouse if applicable) can work, look for work, or attend school on a full-time basis.



## ELIGIBLE DEPENDENTS

Your dependent child(ren) under the age of 13 who are claimed as dependent(s) on your federal income tax return or dependent children under the age of 13 who are in your custodial care for 50% of the time or greater.

*Your spouse or other tax dependent who is physically or mental incapable of self-care as diagnosed by a medical professional and lives with you for more than half the year.*

## QUALIFIED PROVIDERS

Qualified providers include childcare/daycare providers, nannies, au pairs, Before and After School (BASP) programs, preschool tuition. If care is provided by a Foreign national, the caregiver must be eligible to work in the US and have a valid Social Security Number.

## Dependent care provided by a relative **MUST** meet the following criteria:

- ➔ Cannot be a person who was the participant's spouse at any time during the plan year.
- ➔ Cannot be a child of the participant under the age of 19 at the end of the year, even if individual is not a dependent.
- ➔ Cannot be the parent of the qualifying dependent.

# REIMBURSEMENT GUIDELINES

University Benefits maintains records of your payroll deductions and your requests for reimbursement so that you can be reimbursed up to the amount of money available in your account. Reimbursements can only be processed up to the amount you have already contributed for the calendar year.

You can request up to your annual pledge at any time during the applicable plan year. If your request exceeds the balance available in your Dependent Care FSA, you will continue to be reimbursed as funds become available in your account. You will not have to resubmit these expenses.

***In order to comply with IRS regulations, dependent care expenses cannot be reimbursed until after the service has been provided.***

Your expenses are reimbursable only if the dependent care is provided to make it possible for you and your spouse to work, look for work or attend school full-time.

When submitting a claim for reimbursement, you are responsible for ensuring expenses are eligible per the IRS and plan guidelines and supporting documentation includes the required information. This document is a guide. For more information, refer to the University Benefit website, IRS Publication 503, or consult your tax advisor.

## **DEPENDENT CARE RECEIPTS**

The University of Iowa provides an [approved receipt template](#)  which may be used by a private caregiver in lieu of an official receipt. The following information is required to appear on each receipt:

- Dates of care (not the payment date)
- Name of the provider
- Provider's Tax ID number or Social Security Number
- Total amount paid
- Signature of the provider (if receipt is not printed on company letterhead)
- Description of the childcare service received
- Indication of who made the payment

## **Special note on day camps:**

- In order to comply with IRS regulations, dependent care expenses cannot be reimbursed until the service has been provided. If you pay for the entire summer and want to be reimbursed monthly, make sure the receipt is written so the charges are divided into monthly increments - otherwise you cannot be reimbursed until the camp is over.

Per IRS guidelines, camps containing an overnight component are not eligible for reimbursement, regardless of parent work schedule.

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# YOUR FSA...

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## **While on a leave of absence:**

A participant may continue his/her Health or Dependent Care FSA while on unpaid FMLA or military leave, as long as the participant remains eligible. A participant loses coverage under the Dependent Care FSA if the person is on leave, not actively seeking other employment, and is capable of self-care.

If a participant wishes to continue coverage while on unpaid FMLA leave, the participant may pay contributions while on leave. Participants may only receive reimbursement for services incurred during periods when active contributions to the account were made.

## **Following termination of employment:**

### **HEALTH CARE FSA**

Eligible expenses must be incurred by the end of the month in which your employment ends. You may submit claims for these expenses until April 30 of the following year. Expenses incurred after the end of the month in which your employment ends will not be reimbursable unless you continue contributions on an after-tax basis through COBRA. All funds remaining after April 30 of the following year are forfeited.

### **DEPENDENT CARE FSA**

All services must be incurred by December 31 of the year in which your employment ends. Any funds not claimed by April 30 of the following year will be forfeited. Per IRS regulations, you can only be reimbursed up to the amount in the account at termination.

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# IMPORTANT INFORMATION

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## COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) allows you to continue your Health Care FSA with after-tax contributions after losing your eligibility to participate (for example, due to termination of your employment). To submit claims for expenses incurred after you become eligible for COBRA, you must continue your FSA through COBRA. If you experience a COBRA qualifying event (such as termination of employment), COBRA information will be mailed to your home.

### SPECIAL NOTE ON DATE OF SERVICE

The accuracy of the date of service is particularly important when completing a reimbursement request. The date of service (or dates of care for dependent care FSA claims) you enter when filing a claim for reimbursement must match the date of service (or dates of care) as it appears on the documentation you attach to the claim. The same is true for the name of the patient and the name of the provider as well.

In regard to how the date of service is defined, the IRS offers the following guidance:

*"...expenses are incurred when the employee (or the employee's spouse or dependents) is provided with the medical care that gives rise to the medical expenses, and not when the employee is formally billed, charged for, or pays for the medical care."*

Essentially, the date of service is the date that a billable expense has been incurred, which is not necessarily the date a payment was made. Payments made for orthodontia treatment are the only exception.

## ACCESSING BALANCE

Access your account information in Employee Self Service. Select the Benefits & Wellness tile - Health and Dependent Care Spending.

The online information is updated daily and will show your account balances and payments at that point in time. Claims and payments are processed every business day. Once your claim is processed, the payment will be reflected on Employee Self Service and you will receive an email. Please allow 2-3 business days for payments to reflect in your bank account.

## **IRS REPORTING**

University Benefits maintains records of approved documents. Please keep a photocopy of the documents sent to this office for your records. The University of Iowa reports the amount of money you have set aside for the Dependent Care FSA to the Internal Revenue Service (IRS) via your W2.

## **STOCKPILING**

We urge participants to be aware of excessive “stockpiling”. Stockpiling occurs when a plan participant buys a large quantity of OTC items (typically at the end of the plan year) for the purpose of exhausting unused FSA funds.

The IRS has indicated that FSA reimbursements should be limited to a reasonable quantity for use during the plan year. The University of Iowa reserves the right to use discretion when reviewing claims to determine what a “reasonable” quantity is.

## **CORRECTED EXPLANATION OF BENEFITS (EOB)**

- A corrected EOB issued by an insurance company is not eligible for reimbursement if the original EOB was previously processed for reimbursement.
- If a participant submits a corrected EOB that lists a dollar amount less than what they were originally reimbursed for, then they must repay the difference back to their FSA.
- A corrected EOB submitted for a dollar amount greater than what was originally reimbursed for can only be processed for the additional amount the participant is now responsible for.

## **ELIGIBLE AND INELIGIBLE ITEMS PACKAGED TOGETHER**

All items purchased in a package must be eligible for reimbursement. If an item in a package is ineligible, the whole package will be deemed ineligible. Items packaged together requiring mixed documentation (prescriptions or a Letter of Medical Necessity) will be reviewed on a case-by-case basis and may not meet plan criteria for reimbursement.

## RESUBMISSION OF A DENIED CLAIM

FSA claims that do not meet plan guidelines for reimbursement will be returned to the plan participant with an explanation of the denial. If applicable, the denial reason will include instructions on how to resubmit the claim and/or what additional documentation is required.

### Resubmissions of claims

A resubmission of an online claim can typically be made using the existing claim. (In some cases a new claim may need to be filed, in which case please refer to the specific denial reason.) Additional documentation and comments may be attached to a claim that is eligible for resubmission. The advantage of resubmitting the existing claim is an improvement in processing time, as the claim will be moved to the front of the audit pool for review.

Please Note: Some claims are not eligible for resubmission due to eligibility restrictions or software limitations. Pursuing reimbursement for a claim denied as an ineligible expense requires following a formal appeal process. Visit the next page for more information about the formal appeal process.

## FORMAL CLAIM APPEAL PROCESS

A review may be requested if a plan participant wishes further consideration of a denied claim. The written appeal must be sent in letter or email form to the University of Iowa Benefits Office within 30 days of denial notification and must contain the following information:

- FULL NAME
- UNIVERSITY ID NUMBER
- DATE OF REQUEST
- CLAIM ID NUMBER
- A CLEAR AND DETAILED EXPLANATION OF WHY  
THE CLAIM DECISION IS BEING APPEALED

Upon receipt, the appeal will be reviewed by the Assistant Director of Benefits and forwarded to the Director of Benefits for final review. The decision following the review will be communicated to the appealing party within 30 days of receipt, and will include a specific reason for the denial.

*All decisions made by University Benefits Office are final.*

To find Flexible Spending Account Forms that are mentioned in this guide, please visit the FSA webpages.

Every effort has been made to ensure the accuracy of this book; however, if statements in this book differ from applicable contracts, certificates, and riders, then the terms of those documents will prevail. All benefits are subject to change.

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### Contact Information:

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