



## SIGN UP NOW FOR YOUR FSA <sup>®</sup> VISA Card AT NO ADDITIONAL COST

**A great benefit and provides a convenient way to pay for your Out-of-pocket Medical Expenses for you, your spouse and dependants**

### **CERTIFIED NO RECEIPT RETAILERS**

Include major *pharmacy/grocery chains* such as:

Aiea Medical Pharmacy	Longs Drugs	The Pillbox Pharmacy	Target
Center Pharmacy	Medical Center Pharmacy	Prof. Plaza Pharmacy	Times Super Market
City Pharmacy	Mina Pharmacy	Queen's POB I, II, III	Walgreen Drug Store
K Mart	Maui Clinic Pharmacy	Safeway	Wal-Mart

**Plus, there are more than 2,000 additional retail merchants that are certified No receipt retailers, representing over 40,000 retail locations.**

**To see if a store is a certified no receipt retailer, go to [www.sig-is.org](http://www.sig-is.org) and click on the "IIAS Merchant List" link on the left side of the page. If the merchant status is "live", it is certified! Additional merchants are being certified each week—check back if your merchant is not currently listed.**

SIGIS (Special Interest Group for IIAS Standards) is an industry group formed to produce and promote a Voluntary industry standard solution to meet IRS requirements.

#### **When you use your Benny card at certified retailers:**

- ▶ Only eligible purchases will ring up on your card
- ▶ You won't have to submit receipts to verify purchases made with your card.\*

#### **Here's how the Benny card works:**

1. Take your **Prescription for over-the-counter** healthcare products, prescriptions, and other items to the register and the clerk will ring them up.
2. Swipe your **Benny** card for payment (be sure to swipe your **Benny** card first).
3. The eligible amounts will be deducted from your healthcare account. The clerk will then ask for another form of payment for the non-Healthcare eligible items.
4. The receipt will identify your healthcare-eligible items and provide a Subtotal of the healthcare-eligible purchases.



\*Please save detailed merchant/service provider receipts for items purchased with your flex benefits card. This is an IRS requirement.

**NEW**

## New IRS Rule enhances the Benny card



In 2003, the IRS first ruled that “special purpose” Visa debit cards (like the Benny card) could be used by participating employees to access funds in their flex accounts. At that time, the card could only be accepted at qualified locations, like pharmacies, doctor’ offices, hospitals, optical shops, dentists, etc.

To ensure that the card only paid for qualified items, the IRS required that all card payments be independently substantiated. For example, if a card swipe matched your health plan co-pay, we would automatically substantiate it in our system. Otherwise, the IRS

required that we notify the employee and request to see a detail receipt. Upon review, if we determined that a portion of a card payment was not IRS-qualified we asked the employee to refund the overpayment.

On July 1, 2009, a new IRS ruling took effect that greatly enhanced the convenience of using the Benny card at retail drug stores, grocers, and supermarkets. The new rules requires pharmacies to substantiate flex plan card purchases at point-of-sale. This eliminates the hassle of requesting receipts when the card is used at 40,000 “certified” retail locations.

Your employer selected the payment card option for your plan.

**The Benny card** is accepted at 40,000 “certified” drug stores, grocers and supermarkets. These retailers have programmed their systems in compliance with IRS guidelines so that when your card is presented, ONLY qualified healthcare items will be paid. Because the merchant substantiates these card payments at point-of-sale, we will not ask for a receipt.

In addition to drug stores, the Benny card also works at doctors, dentists, hospitals, optical shops, etc.

When a card swipe (at the doctor or hospital) matches your health plan co-pay(s), we will not request a receipt (if we have your health plan co-pay on file).

However, if we are unable to electronically substantiate a card payment, the IRS requires that we review a copy of the receipt. We’ll contact employees when we need to review a receipt. If an employee uses the card at a qualified provider to pay for a non-qualified service, for example teeth bleaching or non-prescribed sunglasses, we will require the participant to refund the overpayment online or by check.

Of course, when the card is not used, a participant may pay expenses with personal funds and then file a manual claim for reimbursement.

