



Ceridian Benefits Services

FSA Solution Upgrade

Ceridian Benefits Services (CBS) is pleased to announce an **upgrade for our Flexible Spending Account (FSA) product suite**. The upgrade is taking place **August 11, 2008**.

If you are a Health FSA participant, your current **FSA Cards will be deactivated on July 22, 2008**. **New cards will be issued a few days after August 11, 2008**. Between **July 22 and August 31, 2008**, you will be able to fax paper claims to a **special priority processing fax** line at: **800-897-4894**.

The FSA solution upgrade will provide you exciting new features and benefits:

- Online claims submission – **Now you're in control! Simple. Secure. Accurate.**
 - Step 1: Enter your claims into our online claim form for immediate input into our reimbursement system
 - Step 2: Fax your receipts with your online confirmation page and they will be verified for eligibility and paymentThis ensures improved accuracy, turn-around and security!
- Auto-calculation of Health FSA mileage expenses through online claims submission
- Online FSA information that's easier to navigate
- Access 24/7 to the answers to some of the most frequently asked questions
 - Have you processed my claim?
 - What is my claim and disbursement history?
 - What is my available balance?
- Plan-specific information access online (e.g., the "run-out period" date after which you can no longer submit claims)

As the upgrade date is approaching, we'd like to invite you to take a tour of our new functionality. Let us show you how easy it is to submit your claims online and perform some other typical activities. Please click on the following link to get started.

<http://www.ceridian.com/myceridian/support/files/training/LH1/LH1EmployeeExperienceCard.htm>

Your FSA program is administered by Ceridian Benefits Services (CBS), the leading provider of managed human resource solutions that maximize the value of people. Please contact Ceridian for additional information.

August 2008 FSA Benefits Card Transition Questions & Answers for FSA Cardholders

Part I: Current Card Deactivation and New Card Issuance

When will my current FSA Benefits Card(s) be deactivated?

Monday, July 22, 2008

What should I do with my current FSA Benefits Card(s) after July 22, 2008?

Please destroy your current FSA Benefits Card(s) after July 22, 2008. They will not function.

How long will I be without card?

There will be an approximate four-to-five-week period during which you will not have access to an FSA Benefits Card.

How can I submit claims during the card transition period?

You may submit claims via a paper claim form. Between July 22 and August 31, 2008, you will be able to use a special priority processing fax line for paper claims. The priority processing fax number is: **800-897-4894**. You can obtain a paper claim form by logging on to the website on the back of your current card, or by contacting Customer Service.

When will I receive my new FSA Benefits Card?

Your new FSA Benefit Card should be issued between August 18 and August 21, 2008. You should receive your card within seven to ten business days after issuance. Generally, this should fall between August 26 and August 29, 2008. Dates may vary based upon mail time.

How many new cards will I receive?

You will receive one card issued in the participant's name.

How will my new cards be sent?

Your new card will be mailed to you in a white envelope with the First Data return address. Printed on the envelope will be the following statement: "Important Benefit Information Enclosed". A 'Terms and Conditions' document is included with the card along with some brief instructions.



How can I check on the mailing status of my FSA Benefits Card?

If you have not received your card within timeframe noted above, you may contact our Customer Service Department for assistance: 877-799-8820.

What will my FSA Benefits Card balance be when I receive it?

Your new FSA Benefits Card balance will be equal to your remaining plan year available balance.

What if I have already used up my current plan year Health FSA election by the time I receive my new card?

If you have depleted your current Health FSA election, you will still receive a card. The card will have a zero balance. Please keep your card in a safe place so that you can utilize it for your next FSA plan year.

Can I obtain cards for my eligible dependents?

Yes. You may request cards for any of your eligible dependents over the age of 18. Each card will be issued in the name of the dependent and should be signed by the dependent. There is no limit to the number of eligible dependents over the age of 18 who can be issued cards. There are no fees for requesting dependent cards.

How do I request cards for my eligible dependents?

After August 11, 2008, you may request cards for your eligible dependents by completing Ceridian's additional card request form. You can obtain a card request form by logging into the web after August 11, 2008. The fax number and mailing address for submission are populated on the form. Participants may also obtain a form by contacting Ceridian's FSA Customer Service Department at 877-799-8820 after August 11, 2008.

Part II: Using The New FSA Benefits Card

How do I activate my new FSA Benefits Card?

Your new FSA Benefits Card will activate upon first use.

How does the FSA Benefits Card work?

The Ceridian FSA Benefits Card is linked to your Health Care FSA account balance. When you incur an eligible health care expense, you simply swipe your card at the point of sale. **You will select “credit” when asked “credit or debit,” as no PIN is required.** The amount of the purchase is deducted directly from your Health Care FSA account balance and paid to your health care provider.

How soon will my available balance reflect new card transactions?

Your available balance will be reduced directly after you swipe the card for pre-authorized and authorized transactions. If a pre-authorization does not go through, the balance will increase after the pre-authorization is rejected. The telephone Interactive Voice Response (IVR) system and Web are also updated following a card swipe or rejected pre-authorization. Balance updates occur 24/7 in conjunction with card activity.

Where can I use my FSA Benefits Card?

You can use your FSA Benefits Card at most health care providers (including doctors' offices, dental providers, vision care providers and hospitals) that display the Visa® logo. The FSA Benefits Card will only be accepted at qualified merchant types related directly to health care and will not be accepted at other locations like gas stations, convenience stores, video stores and restaurants.

What happens to the balance when I use the FSA Benefits Card?

As you use your FSA Benefits Card or submit claims, the balance on the card will be adjusted to equal the amount you have available in your Health Care FSA. **You must have sufficient funds in your account to cover the total purchase or your FSA Benefits Card will be declined.**

Can I use my FSA Benefits Card at a grocery or discount store for over the counter or pharmacy expenses?

As of 1/1/08, pharmacies located in discount stores and supermarkets, such as Wal-Mart and Albertson's, must have an Information Inventory Approval System (IIAS) in place for your card to work. An IIAS ensures that only

FSA-eligible products are allowed to be purchased with the Benefits Card. If the merchant has IIAS in place, you can use your card there and will never need to submit receipts. If the merchant does not have IIAS in place, the card transaction will be declined.

Can I use my FSA Benefits Card at a retail pharmacy?

Retail pharmacies, such as CVS and Rite Aid, have until 01/01/09 to implement IIAS, though a few, like Walgreens, are participating already. Through 12/31/08 you may use your Benefits Card for eligible Health FSA expenses at retail pharmacies regardless of whether they currently have an IIAS system in place. If they do not have an IIAS system in place, then receipts may be requested. Effective 01/01/09, you will only be able to use your Benefits Card at merchants with IIAS in place.

For the most up-to-date listing of participating IIAS merchants visit:

www.sig-is.org/en/resources/publications.asp

Can I use my FSA Benefits Card to pay for online and mail order purchase, or medical expense bills?

Yes. As long as the expense is Health FSA eligible and was incurred during the current plan year, you can enter your card number on the order form, online screen, or medical expense bills for payment.

Can I use my FSA Benefits Card to purchase items that are not FSA eligible?

No. If you buy items that are not FSA eligible (i.e., soda, milk, gum, etc.) you must pay for those items separately with another form of payment.

Can I use my FSA Benefits Card to pay my day care or dependent care provider?

No. You cannot pay for your Dependent Care FSA expenses with the FSA Benefits Card. The FSA Benefits Card can only be used to pay for eligible Health Care FSA expenses.

If I use my FSA Benefits Card, will I still need to keep my receipts?

Yes. You must always keep your itemized receipts for all Benefits Card transactions. Not all health expenses are considered eligible according to IRS guidelines. If we are unable to substantiate via IIAS merchant approval or co-pay matching, we will send you a letter requesting receipts.

How will I know if additional documentation is needed for a card transaction?

We will mail you a request for substantiation letter automatically if additional documentation is needed. We will provide you with transaction details and you will also be given specific instructions on how to submit the requested information and what to include. **We must receive your receipts within 30 days.**

What happens if receipts are requested and I do not provide them within 30 days?

If the requested information is not received within 30 days of the letter date, the FSA Benefits Card swipe will be considered ineligible and the transaction considered an overpayment. **In addition, the Benefits Card(s) will be deactivated** until the requested documentation is received or the payment is recovered. New eligible claims submitted during this period will be automatically applied to the overpayment until the overpayment has been covered, payment has been made, or we have received the requested receipts and determined the transactions were eligible.

Will my FSA Benefits Card ever be declined?

There are several reasons why your new FSA Benefits Card could be declined:

1. The transaction amount is greater than the available balance.
2. You have previous card transactions from the current plan year that have been determined to be ineligible based upon receipts you have submitted. In this case your new FSA Benefits Card will be deactivated and you will receive a letter detailing steps to resolve so that you can have your card reactivated.
3. Your FSA Benefits Card has been deactivated because we did not receive requested receipts within the allotted time. After the solution upgrade, you will receive a letter requesting receipts for any current plan year outstanding transactions. If we do not receive receipts in 30 days, your card will be deactivated. We will send you a letter detailing the steps to resolve so that you can have your card reactivated.
4. Your FSA Benefits Card has been deactivated because you have terminated service with your employer.
5. You are attempting to use your FSA Benefits Card at an ineligible merchant (e.g., a convenience store, or merchant that does not have an IAS in place, merchant that does not accept Visa®).

How do I receive the funds in my FSA if my provider does not accept Visa® or if my FSA Benefits Card is declined?

If the merchant does not accept Visa® or if your card swipe is declined for any reason, the clerk will ask for another form of payment for the total amount of your purchase. You will then need to pay for the expense out-of-pocket and may submit a claim for reimbursement.

What Customer Service number should I use prior to the August 11, 2008 upgrade?

Please continue to use your Customer Service number through August 11, 2008. The Customer Service number is on the back of your current FSA Benefits Card.

What Customer Service number should I use after the August 11, 2008 upgrade?

The Customer Service number will be 877-799-8820. It will be printed on the back of your new card.

How can I check my balances and pending transactions?

You can check your balances and pending reimbursements 24/7 by logging in to www.ceridian-benefits.com or by contacting Customer Service. One of the benefits of our new card solution is 24/7 access to your balances and pending claim information via telephone IVR by calling our Customer Service number. You can access the telephone IVR system through Customer Service after August 11, 2008.

How often are the IVR and Web balances updated to reflect new card transactions?

Your available balance will be reduced directly after you swipe the card for pre-authorized and authorized transactions. If a pre-authorization does not go through, the balance will increase after the pre-authorization is rejected. The telephone Interactive Voice Response (IVR) system and Web are also updated following a card swipe or rejected pre-authorization. Balance updates occur 24/7 in conjunction with card activity.

Will there be a new fax number for submission of claims and card receipts?

Yes. Substantiation request letters and paper claim forms are pre-populated with the new fax number. Please destroy any old forms.

What happens if my card is lost or stolen?

You must report lost or stolen cards immediately to Ceridian. You should contact Ceridian toll-free at 877-799-8820. Ceridian's Customer Service Center is open Monday through Friday from 8:00 a.m. to 8:00 p.m. Eastern Time. The FSA Benefits Card will be deactivated immediately. A new FSA Benefits Card can be sent upon request. Please note that there is a \$10.00 card replacement fee for each card. The fee will be deducted from your Health FSA balance.