



DAVISON COMMUNITY SCHOOLS

FLEXIBLE SPENDING ACCOUNT PROGRAM SUMMARY OF PLAN

What is a Flexible Spending Plan?

- Optional employee benefit plan is offered to all employees eligible for district medical insurance coverage.
- Program is administered by BASIC, a third party administrator.
- Employees can elect to set aside up to \$2,600 per year for medical reimbursements and \$5,000 per year for dependent care, on a pre-tax basis, over 21 pays, beginning in January, stopping over the summer and resuming in the fall.
- Salary amounts reported to MPERS are not affected by the amount of funds set aside for this program.
- District also saves on district portion of FICA tax (7.65%).

What kind of expenses are covered?

- Eligible medical, dental, and vision expenses are outlined in BASIC program book.
- Dependent care expenses are used mostly for payments made to a licensed day care provider for children under 13, but other dependent care may apply.

Does it cost me anything to participate?

- There is no cost for participants.
- District pays \$5.50 per month per participant to BASIC to administer the program.

How do I sign up?

- Election is made on enrollment form during the fall open enrollment period to take effect January 1.
- Elections cannot be changed unless there is a change in family status (examples include: birth of a child, marriage, divorce, death of a child or spouse, change in spouse's job or insurance coverage).

When are funds available?

- Full amount of funds set aside for medical reimbursement are available on January 1st.
- Dependent care funds are on a pay-as-you-go basis.
- Plan year runs January 1 through December 31. Unspent funds at the end of the year are turned over to the district.
- There is a 2 ½ month carryover period to spend unspent funds after the plan year-end (through March 15).

How do I pay for eligible expenses?

- Pay medical or dependent care provider and submit claim form with receipts for amounts paid. BASIC will process payment usually in 24 hours.
- Employees can sign up to use a debit MasterCard at the service provider. If requested, receipts can be faxed or mailed to BASIC with the claim form.
- Debit card can also be issued to other family members.

How do I access my account information?

- Online account access is provided using secure login ID and password at www.benefitspaymentsystem.com.
- Online application shows all payment history for each account.
- Medical information is kept confidential, and district personnel do not have access to participant information.
- District program administrator can only see employee totals.

What if I have more questions?

- Review BASIC program booklet.
- Review information on BASIC website at www.basiconline.com
- Call or email Kathy Morris at 591-3373 or kmorris@davisonschools.org.