

# take care® FLEXIBLE BENEFIT PLAN

SAVE 25% TO 40% ON EVERYDAY ITEMS

Take advantage of a smart, simple way to prepare for expenses that your employer's health plan does not pay. Watch a video at [mytakecareplan.com](http://mytakecareplan.com) to learn how enrolling in the take care® Flexible Benefits plan will save you taxes and increase your take home pay.



## Young couple with two children (annual expenses)

<input type="checkbox"/> Co-pays to doctors & pharmacies	\$ 210
<input type="checkbox"/> Drugs (over-the-counter & prescription)	720
<input type="checkbox"/> Eye exams & LASIK	160
<input type="checkbox"/> Prescribed sunglasses & eyeglasses	400
<input type="checkbox"/> Dental cleanings, fillings & x-rays	320
<input type="checkbox"/> Sealants, crowns & bridges	200
<input type="checkbox"/> Braces, spacers & retainers	1,500
<input type="checkbox"/> Chiropractor & podiatrist fees	910
<input type="checkbox"/> After-school care, day camp & pre-K	4,080
<b>TOTAL BUDGETED ANNUAL EXPENSES</b>	<b>\$ 8,500</b>

**\*Annual Savings of \$2,125 to \$3,400**

\*Annual savings are determined by multiplying your total budgeted expenses by the percentage of payroll taxes you pay. In these examples, the smallest savings is based on a 25% tax rate and the largest savings is based on a 40% tax rate.

## Single parent with one child (annual expenses)

<input type="checkbox"/> Co-pays to doctors & pharmacies	\$ 135
<input type="checkbox"/> Drugs (over-the-counter & prescription)	540
<input type="checkbox"/> Eye exams & LASIK	80
<input type="checkbox"/> Prescribed sunglasses & eyeglasses	200
<input type="checkbox"/> Dental cleanings, fillings & x-rays	160
<input type="checkbox"/> Quit-smoking program	125
<input type="checkbox"/> Before and after-school care & day camp	5,000
<b>TOTAL BUDGETED ANNUAL EXPENSES</b>	<b>\$ 6,240</b>

**\*Annual Savings of \$1,560 to \$2,496**

## Mature couple with dependent elder (annual expenses)

<input type="checkbox"/> Co-pays to doctors & pharmacies	\$ 360
<input type="checkbox"/> Drugs (over-the-counter & prescription)	1,260
<input type="checkbox"/> Prescribed sunglasses & eyeglasses	800
<input type="checkbox"/> Eye exams, surgery & LASIK	2,120
<input type="checkbox"/> Dental cleanings, fillings & x-rays	240
<input type="checkbox"/> Dentures, sealants, crowns & bridges	1,200
<input type="checkbox"/> Chiropractor & podiatrist fees	910
<input type="checkbox"/> Physical therapy	1,560
<input type="checkbox"/> Quit-smoking program	125
<input type="checkbox"/> Weight-loss program (for specific disease)	520
<input type="checkbox"/> Elder daycare for dependent adult	5,000
<b>TOTAL BUDGETED ANNUAL EXPENSES</b>	<b>\$ 14,095</b>

**\*Annual Savings of \$3,524 to \$5,638**

Here's an example of how a typical employee's take-home pay will increase as a result of participating in the take care plan. An employee makes \$2,000 each month and decides to participate in her employer's plan. She pays her insurance premiums and health and daycare expenses through the plan with tax-free dollars – and she saves \$100 each month!

### Her monthly paycheck without the plan

Salary	\$2,000
FICA, federal & state taxes	-\$500
Insurance premium	-\$100
Health & daycare expenses	-\$300



Net pay without the plan \$1,100

### Her monthly paycheck with the plan

Salary	\$2,000
Insurance premium*	-\$100
Health & daycare expenses*	-\$300
Adjusted earnings	\$1,600
FICA, federal & state taxes	-\$400



Net pay with the plan \$1,200

\*Paid through the plan



After you've decided how much money you want to set aside from each paycheck and how you want to spend it, enroll in the plan. Then when you're ready to use the money in your flex account, simply swipe your take care® Visa® flex benefits card for qualified purchases. When you use your take care card

for qualified purchases, the money is instantly deducted from your flex benefit account. You won't have to reach into your pocket to pay for qualified expenses, file a claim, and then wait to get reimbursed. If your provider does not accept the take care card, you may pay your provider directly, then submit a receipt with a claim form and wait for a reimbursement check or have the money deposited directly into your bank account.

# Swipe your **take care** flex benefits card *first* to pay everyday expenses your health plan doesn't cover!



You won't have to remember what items are eligible to be paid from your flex account(s), because your **take care** flex benefits card does it for you! Your **take care** card knows which items in your shopping cart are eligible to be paid from your **take care** flex benefits account. So make sure you give the cashier your **take care** card *first* when paying for prescriptions and/or over-the-counter healthcare items at the drug store, grocery store, or "super" store.

## OVER-THE-COUNTER MEDICINES & SUPPLIES (OTC)

### OTC Antiseptics

- Boric acid powder
- First aid wipes & benzocaine swabs
- Hydrogen peroxide & rubbing alcohol
- Iodine tincture
- Sublimed sulfur powder
- Washes & ointments for cuts and scrapes

### OTC Asthma Medications

- Bronchodilator & expectorant tablets
- Bronchial asthma inhalers

### OTC Cold, Flu, and Allergy Medications

- Cold, cough, and flu relief
- Homeopathic sinus medications
- Medicated chest rub
- Nasal decongestant (*drops, inhaler, spray, or strips*)
- Sinus & allergy nasal spray
- Vapor patch cough suppressant

### OTC Diabetes

- Diabetic lancets, needles, syringes, and supplies
- Diabetic test strips
- Glucose meters & tablets

### OTC Ear/Eye Care

- Airplane ear protection
- Ear drops for swimmers

- Ear water-drying aid
- Ear wax removal drops
- Homeopathic earache tablets
- Contact lens solutions & cases

### OTC Health Aids

- Anti-fungal treatments
- Denture adhesive
- Diuretics & water pills
- Hemorrhoid relief
- Incontinence supplies
- Lice control
- First-aid bandages, gloves, and masks
- Motion sickness tablets
- Respiratory stimulant ammonia
- Sleeping aids

### OTC Pain Relief

- Arthritis pain reliever
- Baby teething gel
- Pain relievers, aspirin and non-aspirin
- Throat pain medications

### OTC Personal Test Kits

- Cholesterol tests & monitors
- Colorectal cancer screening tests
- Home drug tests

- Ovulation indicators
- Pregnancy tests
- Home blood tests

### OTC Skin Care

- Acne medications
- Anti-itch lotions & medications
- Bunion & blister treatments
- Cold sore & fever blister medications
- Corn & callus removal medications
- Bunion & blister treatments
- Diaper rash ointment
- Eczema cream
- Medicated bath products
- Wart removal medications

### OTC Stomach Care

- Acid reducers & heartburn relief
- Antacid gum, liquid, and tablets
- Anti-diarrhea medications
- Gas prevention
- Ipecac syrup
- Laxatives
- Pinworm treatment
- Upset stomach medications

## PRESCRIPTIONS & CO-PAYS

### DOCTOR FEES & CO-PAYS

- Doctor office visits, co-pays, and deductibles
- Emergency room co-pays
- Out patient surgery co-pays
- Inpatient admission co-pays
- Routine check ups
- Non-diagnostic services or treatments
- Diagnostic & lab fees
- Psychologist & psychiatrist fees
- Obstetrics & fertility fees
- Chiropractor & podiatrist fees
- Physician & osteopath fees
- Acupuncture fees
- Christian Science practitioner's fees
- Radiology, X-Rays, and MRI
- Surgical fees
- Reconstructive surgery in connection with birth defects, disease, or accident

### VISION SERVICES & SUPPLIES

- Office visits & routine eye exams
- Prescribed sunglasses & eyeglasses
- Contact lenses, solutions, and supplies
- Corrective eye surgery
- LASIK & cataract surgery
- Optometrist & ophthalmologist fees

## DENTAL SERVICES & SUPPLIES

- Dentist, dental co-pays & deductibles
- Office visits & routine check-ups
- Cleanings, x-rays, sealants, and fillings
- Dentures, crowns, and bridges
- Braces, spacers, and retainers
- Wisdom teeth, implants, and oral surgery
- Orthodontist & periodontist
- Endodontist & oral surgeon
- Antiseptic mouthwash

## HEALTH IMPROVEMENT PROGRAMS

- Physical & speech therapy
- Weight-loss programs (*for specific disease*)
- Quit smoking programs, patches, and gums
- Alcoholism & drug treatment
- Body scans
- Gastric bypass surgery
- Reconstructive surgery associated with birth defect, disease, or accident

## HEALTH-RELATED EXPENSES & EQUIPMENT

- Generally, these items require a doctor's prescription to qualify.*
- Oxygen, humidifiers, and vaporizers
  - Blood pressure monitors
  - Hot and cold compress packs & wraps
  - Pill boxes & thermometers
  - Shower protection for casts, prostheses, etc.

- Therapeutic support gloves
- Elevated toilet seat
- Special schooling for disabled child
- Artificial limbs & braces
- Arches & orthopedic shoes
- Wigs for hair loss caused by disease
- Shower bars & safety handles
- Hearing devices & batteries
- Crutches & canes
- Wheelchairs, walkers, and shower chairs
- Medical alert bracelet & fees
- Bedpans & ring cushions
- Travel to doctors or healthcare facilities
- Ambulance expenses

## DEPENDENT CARE EXPENSES\* SO YOU CAN WORK

- Nanny & babysitter through age 12
- Pre-K or nursery school
- Before- or after-school care through age 12
- Day camp through age 12
- Daycare for a disabled adult or child
- Elder daycare for parent or dependent

\*Check your summary plan description to verify which items, in addition to healthcare related items, your plan covers.

See [mytakecareplan.com](http://mytakecareplan.com) for additional details

# take care® OF YOURSELF WORKSHEET

Visit [mytakecareplan.com](http://mytakecareplan.com) for the complete list of covered items

Now that you know about the many ways you can use your pre-tax earnings and your **take care** flex benefits card to keep more of what you earn, take a moment to fill out this worksheet to determine how much money you'll save *annually*, by participating in your employer's flex benefit plan.

Simply check off the items you wish to save for and estimate how much you'll spend in the *upcoming year* on those products and services. Fill in the estimate in the space next to each item. Then add up each category and place those totals in the corresponding section below the checklist.

Use the easy calculator at [mytakecareplan.com](http://mytakecareplan.com)

## HEALTHCARE EXPENSES (estimated annual) FOR EXPENSES NOT COVERED BY INSURANCE

- Co-pays: doctors & pharmacies \$ \_\_\_\_\_
- Over-the-counter drugs (except vitamins) \$ \_\_\_\_\_
- Prescription drugs \$ \_\_\_\_\_
- Office visits & checkups \$ \_\_\_\_\_
- Prescribed sunglasses & eyeglasses \$ \_\_\_\_\_
- Contact lenses, solutions & supplies \$ \_\_\_\_\_
- Eye exams, surgery & LASIK \$ \_\_\_\_\_
- Dental cleanings, fillings & x-rays \$ \_\_\_\_\_
- Sealants, crowns, bridges & dentures \$ \_\_\_\_\_
- Braces, spacers & retainers \$ \_\_\_\_\_
- Wisdom teeth, implants & oral surgery \$ \_\_\_\_\_
- Psychologist & psychiatrist fees \$ \_\_\_\_\_
- Obstetrics & fertility \$ \_\_\_\_\_
- Lab tests & body scans \$ \_\_\_\_\_
- Chiropractic & podiatrist fees \$ \_\_\_\_\_
- Oxygen, insulin, syringes & supplies \$ \_\_\_\_\_

- Hearing aids, batteries & exams \$ \_\_\_\_\_
- Artificial limbs & braces \$ \_\_\_\_\_
- Arches & orthopedic shoes \$ \_\_\_\_\_
- Walkers, canes & wheelchairs \$ \_\_\_\_\_
- Physical & speech therapy \$ \_\_\_\_\_
- Weight-loss program (prescribed by doctor) \$ \_\_\_\_\_
- Quit-smoking program & medications \$ \_\_\_\_\_
- Alcoholism & drug treatment \$ \_\_\_\_\_
- Medical alert bracelet & fees \$ \_\_\_\_\_
- Reconstructive surgery (birth defect, disease) \$ \_\_\_\_\_
- Wigs for hair loss caused by disease \$ \_\_\_\_\_
- Special schooling for disabled child \$ \_\_\_\_\_
- Travel & mileage to doctor or hospital \$ \_\_\_\_\_

TOTAL **1** \$ \_\_\_\_\_

## DEPENDENT CARE EXPENSES SO YOU CAN WORK (estimated annual)

- Nanny & babysitter thru age 12 \$ \_\_\_\_\_
- Pre-K or nursery school \$ \_\_\_\_\_
- Before & after-school care thru age 12 \$ \_\_\_\_\_
- Day camp thru age 12 \$ \_\_\_\_\_
- Daycare for a disabled adult or child \$ \_\_\_\_\_
- Elder daycare for parent or dependent \$ \_\_\_\_\_

## INSURANCE PREMIUMS DEDUCTED FROM YOUR PAYCHECK (estimated annual)

- Health insurance (your share only) \$ \_\_\_\_\_
- Other (your share only) \$ \_\_\_\_\_

TOTAL **3** \$ \_\_\_\_\_

TOTAL **2** \$ \_\_\_\_\_

## ESTIMATED ANNUAL EXPENSES AND TAX SAVINGS

**1** \_\_\_\_\_ + **2** \_\_\_\_\_ + **3** \_\_\_\_\_ = \$ \_\_\_\_\_

Save between 25% and 40% on FICA, federal & state income tax (in applicable states). x 36%

Based on national averages, you'll save 25% if your annual household earnings are less than \$30,000, 36% if you earn \$30,000 to \$60,000, or 40% if you earn more than \$60,000.

Federal and/or plan limits apply to all options. See your summary plan description for plan limits.

YOU SAVE \$ \_\_\_\_\_

# IMPORTANT INFORMATION

## What is the take care® Flexible Benefit Plan?

It's a benefit provided by your employer that lets you set aside a certain amount of your paycheck into an account before paying income taxes. Then, during the year, you can use funds in the account to pay for qualified expenses with the untaxed dollars. You are not taxed on the dollars you use in your take care account(s).

## If I set aside part of my pay, won't I make less money?

NO. For every dollar you set aside to pay qualified expenses, you save FICA, federal income tax and (where applicable) state withholding. Your net take-home pay will increase by the taxes you save. Plus, when you pay a qualified expense or receive a cash reimbursement, it's TAX FREE.

## Can I change my contributions during the year?

YES, but only in certain situations. For the Health Account and Dependent Care Account, you can change your election if you have a change in status or a change in your employment or the employment of your spouse or a dependent.

## What are the benefits of participating in a Flex Plan?

Your biggest benefit is saving payroll withholding taxes. What that means to you is that you'll save \$25 - \$40 on every \$100 you budget to pay for qualified expenses with the money in your flexible benefit account. That's because you don't pay taxes on the money you set aside each pay period for your flex account. (Your savings are based on the percentage of payroll taxes you would have paid had you not put your money into a flex account.)

## What expenses qualify for payment with my Flex dollars?

Most qualified expenses are for goods or services that you'll buy anyway. They include healthcare costs such as co-pays and doctors' fees; over-the-counter drugs and prescriptions; dental and eye care expenses; and daycare expenses for dependents so you can work.

## How do I pay for qualified expenses?

Your take care® Visa® flex benefits card is the most convenient way to pay. And what's best, you don't have to reach into your pocket when you use the card to pay qualified expenses. By paying with the card, your purchase is deducted from the appropriate balance in your take care account(s).

## Do I need to file claim forms?

Not in most cases. You only need to file a claim when the merchant or provider does not accept your take care® card. It is easy to file a claim. Just complete a claim form, attach a copy of the receipt(s), then send to your plan service provider. You'll receive your TAX-FREE reimbursement in a short time. Even if you use your take care card, you are required to keep receipts. Occasionally, you may be asked to provide documentation of purchases made with your take care card.

## How does money get deposited into my account?

Through regular payroll deductions. It's that simple. Estimate how much you spend annually on the expenses that qualify to be paid from your flex account, then enroll!

## How do I know how much is available for me to spend?

Your balance and other details are always available online or by calling the Flex Hotline.

## Must money be deposited in my account before I pay expenses or file a claim?

NO. The entire annual amount you elect for the Health Flexible Spending Account (FSA) is available on the first day and through-out the plan year. However, funds in the dependent care account and Health Savings Account (HSA) are available only when they are deposited into your account.

## I already have health insurance.

### Why should I participate in the Health Account?

The Health Account is used to pay for expenses not covered by insurance. These include co-pays, over-the-counter medications, glasses, contacts, orthodontics, and prescription drugs, just to name a few.

## I don't use my employer's health insurance.

### Can I still save?

YES. You can still set aside money through regular payroll deductions (before taxes are taken out) to budget and pay for qualified expenses. Remember, a qualified expense paid from this plan cannot be reimbursed from another plan.

## I take a dependent care credit on Form 1040.

### Will this Dependent Care Account save more?

The more you earn, the more you'll save. In addition, you'll also save social security tax (FICA) with a Dependent Care Account. So don't wait until April 15 to take the credit. Now you can save taxes on every paycheck. Which is best for you? Visit our Web site and use our easy calculator to determine your savings.

## What if I don't use all of the money in my account?

Generally, unused balances may not be paid to you in cash or used in a later year. However, for the Health FSA or Dependent Care Account, your employer may have elected to allow you to incur expenses up to 2-1/2 months after the plan year end and use the remaining plan year balance to reimburse those expenses. If you do not use all the money in your HSA, it may be carried over indefinitely.

## What happens to my account if I terminate employment?

You may request reimbursement from your FSA for qualified expenses incurred prior to your termination. Your HSA account belongs to you and is portable. Check your Summary Plan Description for additional rights provided by your employer's plan.

## Are there any negatives that I should know about?

Because you may not pay social security tax on the amount of gross pay you set aside for qualified expenses, your social security benefits at retirement may be slightly reduced. However most tax advisors recommend taking advantage of current tax-savings opportunities like the take care plan. Also, if disability insurance premiums are paid on a pre-tax basis, any future benefits you receive will be taxable.

[mytakecareplan.com](http://mytakecareplan.com)

take care®