Guide to Health Care and Dependent Care Flexible Spending Accounts

All you need to know about using your Health Care and Dependent Care Flexible Spending Accounts
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THE WAGEWORKS WEB SITE

You can do all this online anytime . . .

♦ View your account activity and balance
♦ Check status of claims and payments
♦ Update your contact information
♦ Request Pay My Provider payments
♦ Get help

If you have not yet registered . . .

Complete the simple online registration process:

2. Enter the information requested so we can identify you.
3. Confirm or update the contact information in your Profile.
4. Review the User Agreement and confirm your acceptance.

If you have already registered . . .

♦ Go to www.wageworks.com and enter your user name and password.

If you don’t have Internet access . . .

Call us toll-free at 1-877-924-3967. Our automated voice response system can assist you around the clock. Customer service representatives are available during normal business hours, Monday through Friday, 5:00 AM to 5:00 PM (PST).
HEALTH CARE FLEXIBLE SPENDING ACCOUNT

Health Care Flexible Spending Account
Automatic Reimbursement “Pay My Provider”

Pay your providers directly from your Health Care Flexible Spending Account.

Why Use Health Care Pay My Provider?
✓ No claims to file
✓ Providers reimbursed directly
✓ Works like an online bill-pay service
✓ Deducts automatically from your Health Care Flexible Spending Account
✓ Most convenient way to pay for most recurring eligible services

When To Use Health Care Pay My Provider
✓ When you have regularly scheduled payments for eligible services
✓ When your provider bills you for the amount not covered by your health plan (coinsurance)

How To Use Health Care Pay My Provider
♦ Log onto www.wageworks.com
♦ Click on the Health Care tab
♦ Click Request Pay My Provider
♦ Confirm or enter your email address
♦ Enter your provider information
♦ Enter patient information
♦ Enter your payment amount
♦ WageWorks will make the requested payment from your account and mail it directly to your provider
♦ WageWorks will send you a confirmation email each time your requested payment is made
Health Care Flexible Spending Account Claims Reimbursement “Pay Me Back”

Get reimbursed from your Health Care Flexible Spending Account for eligible expenses you pay for out of pocket.

NOTE: If you participate in Premera Blue Cross medical plans, the majority of your claims will be streamlined; however, if you do not use Premera or opt out of the Streamlined Claims Reimbursement Process, you must use a “Pay Me Back Claim Form” for claims reimbursement.

When To Use Health Care Pay Me Back

Some products and services are easier to pay for first and then get reimbursed. For example:

♦ When your provider requires you to pay before you receive the product or service. Pay for the service as required and then file your claim after you have received the service.

♦ You receive a bill from your provider after your plan pays and your portion is less than $20, the minimum Pay My Provider payment amount.

How To Use Health Care Pay Me Back

♦ Pay for your eligible products and services as you usually do and save your detailed receipt.

♦ Complete a Health Care Flexible Spending Account Claim Form (“Pay Me Back Claim Form”). All covered Weyerhaeuser participants can download a form at www.premera.com/wy. Choose the "Forms" link in the "Information" section.

♦ Fax your form and appropriate proof of expense to the number indicated on the form (See page 4 for Proof of Expense information).

♦ Or, mail your form and photocopies of your proof of expense to the address indicated on the form.

♦ All claims (including resubmissions) for the 2006 plan year must be received no later than March 31, 2007 to be eligible for reimbursement.
Proof of Expense

You can find the Proof of Expense requirement by logging into your account at www.wageworks.com. Click on the “HELP” tab, click the “Health Care” link, then select the topic “What’s Covered?” You will see a list of covered expenses, the best way to pay for each expense, and what kind of “proof of expense” is required. The proof of expense for any eligible product or service will fall into one of three categories: (1) BASIC, (2) BASIC Plus Letter (documentation), or (3) BASIC Plus Letter Plus Cost (letter/documentation plus proof of cost). (See the explanations below.) You can also call WageWorks Customer Service for assistance.

**BASIC**

You must provide proof for each expense listed on your Pay Me Back claim form. Your proof should be appropriate for the type of expense:

- Pharmacy receipt for prescriptions and other pharmacy purchases
- Doctor’s office receipt for office visit
- Explanation of Benefits (EOB) from your insurance or health plan, for covered medical and dental expenses
- Bill or invoice from doctor or dentist for expenses not covered by your insurance or health plan
- Payment contract, monthly payment coupon or statement from your orthodontist
- Receipt from your optometrist or other medical service provider
- For some eligible expenses, additional requirements may be requested. For a list of these expenses, visit www.wageworks.com/hclist.

**BASIC+Letter**

Same as Basic plus a written statement from your provider indicating . . .

1. the diagnosis and
2. the medical necessity of the product or service.

**BASIC+Letter+Cost**

Same as Basic+Letter, plus proof of difference in cost . . .

1. the cost of standard, unmodified item and
2. the cost of special or modified item. The reimbursable amount is the difference between these two.
Health Care Flexible Spending Account
Streamline Claims Reimbursement Process

**Be automatically reimbursed for the member portion of billed medical expenses if you participate in a Premera Blue Cross Medical Plan. This process is not available for members enrolled in other medical plans.**

Once you incur a medical expense and your provider submits the service through the carrier, you will be reimbursed upon receipt of claims information from the carrier plan described above. Unless you choose otherwise, you will automatically be reimbursed after your claim is processed.

Verify your mailing address for check reimbursement or provide WageWorks with your banking information for direct deposit. That’s all you need to do. You do not need to file a Health Care Flexible Spending Account Claim Form (“Pay Me Back” claim form) for these expenses.

Should you decide you do not want to be reimbursed from this account automatically, you should opt out of the Streamline Claims Reimbursement Process either online in the “Manage My Accounts” section of the WageWorks Employee site or by calling WageWorks Customer Service at 1-877-924-3967, business hours are 5:00 AM to 5:00 PM Pacific Time.
Who’s Covered by your Health Care Flexible Spending Account

You can use your Health Care Flexible Spending Account to pay for eligible expenses incurred by the following persons (per the new IRS rules effective 1/1/2005) even if they are not covered by your employer’s health plan:

♦ You
♦ Your spouse
♦ Your qualifying child*
♦ Your qualifying relative*

* Special rules allow a dependent to be eligible for this plan even when that dependent does not qualify to be claimed as your tax dependent on your tax return form. For more information, go to www.wageworks.com/forms/hcdependents.pdf and contact your personal tax advisor.
Health Care Flexible Spending Account Rules

The following rules have been established per IRS regulations:

1. By enrolling in the plan, you authorize your employer to deduct your election amount from your paycheck on a pre-tax basis.

2. Your account can be used to pay for eligible expenses incurred while you are enrolled during the plan year. Expenses are considered incurred on the day of service, not when you are billed or pay.

3. Your account cannot be used to pay for expenses incurred before or after you are covered under this Health Care Flexible Spending Account.

4. Your account can only be used to pay for eligible expenses for which you have not and will not seek reimbursement from any other health plan or source.

5. You cannot take a deduction or a tax credit on your tax return form for any health care expense paid for through this account.

6. You are responsible for maintaining documentation (e.g. detailed receipts) to verify your expenses (the nature of each expense, the amount and the date incurred). Keep these with your other important tax papers for the calendar year. You may be requested to submit these per your monthly statement.

7. You will have until March 31, 2007 to get reimbursed from your account by filing a Health Care Flexible Spending Account Claim Form ("Pay Me Back" claim form) for eligible expenses incurred by December 31, 2006. Both dates are displayed online and are subject to change should you stop participating in this plan before the end of the plan year.

8. Be sure to incur eligible expenses totaling your election amount by December 31, 2006. Any balance remaining in your account after March 31, 2007 will be forfeited in accordance with IRS regulations.

9. You may be able to enroll, change or cancel your enrollment during the plan year if you have experienced a qualified change as defined and if allowed by your employer’s plan. The Health Care Flexible Spending Account is beneficial for anyone who has out-of-pocket medical, dental, vision or hearing expenses beyond what their insurance plan covers. Changes to your election may be made only if you have a qualifying change in status or event as described in the Summary Plan Description (SPD) that allows you to end your participation in the plan. When your participation ends, your contribution is reduced to zero for the remainder of the year. To end participation, you must contact the Employee Service Center (ESC) at 1-800-833-0030 (5:00 a.m. to 5:00 p.m. Pacific Time) within 31 days of the qualifying change in status or event. Other changes and increases are not permitted.

10. Participation in this plan reduces your current taxable income and may affect other future compensation-based benefits.

11. Consult a tax advisor if you have any questions regarding your personal situation.
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

Dependent Care Flexible Spending Account
Automatic Reimbursement “Pay My Provider”

*Pay your providers directly from your Dependent Care Flexible Spending Account.*

Why Use Dependent Care Pay My Provider?

- No claims to file
- Providers reimbursed directly
- Works like an online bill-pay service
- Deducts automatically from your Dependent Care Flexible Spending Account
- Most convenient way to pay for eligible dependent care services on a monthly basis

When To Use Dependent Care Pay My Provider

- You have predictable dependent care expenses each month
- Your dependent care provider does not require payment in advance (before the first of the month) and will accept monthly payments

How To Use Dependent Care Pay My Provider

1. Log onto: [www.wageworks.com](http://www.wageworks.com)
2. Click on the Dependent Care tab
3. Click Request Pay My Provider
4. Confirm or enter your email address
5. Enter your provider information
6. Enter dependent information
7. Enter your payment amount
8. WageWorks will make the requested payment from your account and mail it directly to your provider
9. WageWorks will send you a confirmation email each time a requested payment is made
Dependent Care Reimbursement “Pay Me Back”

Get reimbursed from your Dependent Care Flexible Spending Account for eligible expenses you pay for out of pocket.

When To Use Dependent Care Pay Me Back

Some expenses are easier to pay for first and then get reimbursed. For example:

- When your dependent care provider requires you to pay in advance (before the first of the month during which services will be provided). Pay for the services as required and then file your claim after you have received the service.
- When your dependent care provider wants to be paid other than monthly
- When your expenses vary from month to month

How To Use Dependent Care Pay Me Back

- Pay your dependent care provider as you usually do and save your detailed receipt (or have your dependent care provider sign your claim form)
- Complete a Dependent Care Flexible Spending Account Claim Form (“Pay Me Back” Claim Form). All covered Weyerhaeuser participants can download a form at www.premera/wy.com. Choose the “Forms” link in the “Information” section.
- Fax your form and proof of expense to the number indicated on the form
- Or, mail your form and photocopies of your proof of expense to the address indicated on the form
- All claims (including resubmissions) for the 2006 plan year must be received no later than March 31, 2007 to be eligible for reimbursement
Proof of Expense

You must provide proof for each dependent care service listed on your Dependent Care Flexible Spending Account Claim Form (“Pay Me Back” Claim Form). Your proof should be appropriate for the type of expense:

♦ Your provider’s signature in the designated area on your claim form
♦ Photocopy of your cancelled check (front and back)
♦ Formal or informal statement or bill from your provider
Who’s Covered by your Dependent Care Flexible Spending Account?

You can use your Dependent Care Flexible Spending Account to pay for work-related care for your eligible dependents:

◆ Your qualifying child – under the age of 13
◆ Your spouse, or qualifying child or relative* – who is physically or mentally incapable of providing care for themselves

* Special rules allow a dependent to be eligible for this plan even when that dependent does not qualify to be claimed as your tax dependent on your tax return form. For more information, go to: www.wageworks.com/forms/hcdependents.pdf and contact your personal tax advisor.
What’s Covered by your Dependent Care Flexible Spending Account?

All of the following must be true about the dependent care for the expense to qualify for reimbursement from the Dependent Care Flexible Spending Account:

♦ The dependent care must be provided while you work, or to enable you to work. If you are married, the care must be provided while your spouse also works, or to enable your spouse to work or go to school full-time (at least five months a year), or if your spouse is mentally or physically incapable of providing care for him/herself.

♦ The care may be provided by a relative or a non-relative but cannot be provided by your child under the age of 19 (tax dependent or not) or another tax dependent.

♦ Your dependent care provider conforms to state and local laws (including being licensed, if required) and is able to provide you with his/her Social Security or Tax ID number. Note: In order to file a claim, you will need to include the provider’s Social Security Number or Tax ID number. This same information is required by the IRS when filing your taxes.
Dependent Care Flexible Spending Account

Rules

The following rules have been established per IRS regulations:

1. By enrolling in the plan, you authorize your employer to deduct your election amount from your paycheck on a pre-tax basis.

2. Your account can be used to pay for eligible services incurred while you are enrolled during the plan year. Expenses are considered incurred on the day of service, not when you are billed or pay.

3. Your account cannot be used to pay for expenses incurred before or after you are covered under this Dependent Care Flexible Spending Account. If you must pay for a service in advance, you can file a claim for reimbursement only after you begin to receive that service.

4. You will need to provide the Social Security or Tax ID number of your dependent care provider to request payments or get reimbursed from your Dependent Care Flexible Spending Account. You will also be required to report it to the IRS when you file your tax return form.

5. Your account can only be used to pay for work-related and eligible dependent care expenses for which you have not and will not seek reimbursement from any other plan or source.

6. You cannot take a deduction or a tax credit on your tax return form for any dependent care expense paid for through this account.

7. You are responsible for maintaining documentation (e.g. detailed receipts) to verify your expenses (the nature of each expense, the amount and the date incurred). Keep these with your other important tax papers for the calendar year.

8. You will have until March 31, 2007 to get reimbursed from your account (by filing a Pay Me Back Claim Form) for eligible expenses incurred by December 31, 2006. These dates are subject to change should you stop participating in this plan before the end of the plan year.

9. Be sure to incur eligible expenses totaling your election amount by December 31, 2006. Any balance remaining in your account after March 31, 2007 will be forfeited in accordance with IRS regulations.

10. You may be able to change your contributions only if you have a qualifying change in status or event during the plan year as described in the SPD. This includes marriage, divorce, death, birth/adoption or a change in employment. However, the adjustment in your election must be consistent with the change in status. To request a change to your election, you must contact the Employee Service Center (ESC) within 31 days of the qualifying change in status or event.

11. Participation in this plan reduces your current taxable income and may affect other future compensation-based benefits.

12. Consult a tax advisor if you have any questions regarding your personal situation.

No part of this guide is intended to provide tax or legal advice. You should consult a professional advisor regarding your personal situation.

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