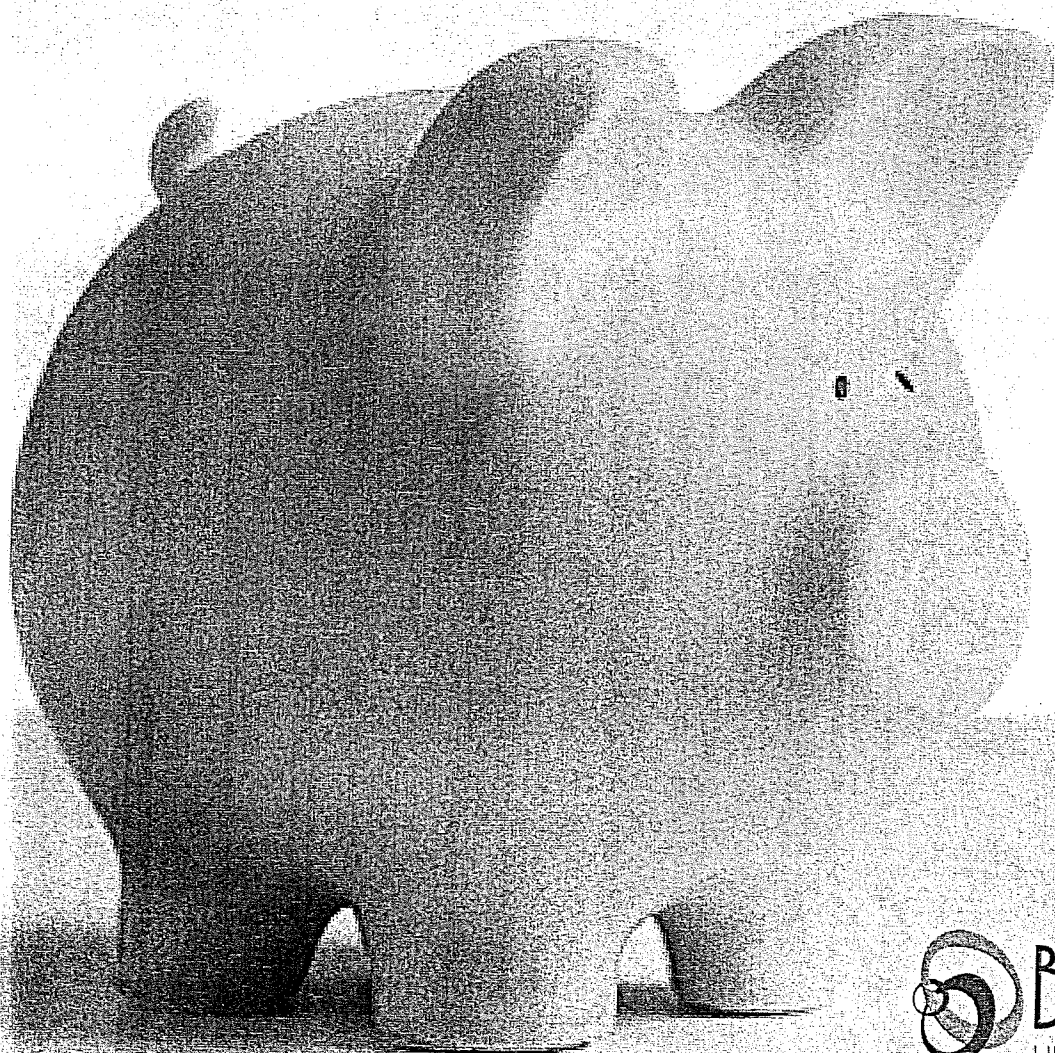


FSA *by BASIC*

YOU'RE GOING TO NEED A
BIGGER BANK.



BASIC[®]

HR Solutions Come Full Circle

GET MORE OUT OF YOUR PAYCHECK.

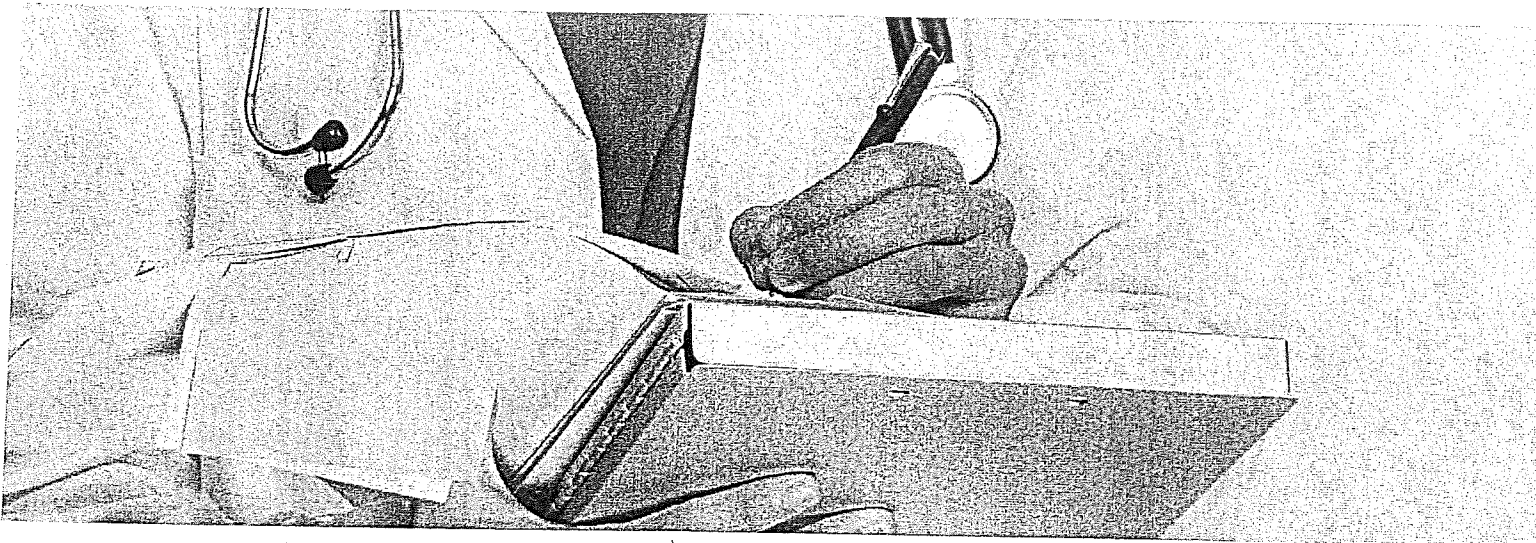
Do you pay medical expenses? Child care? If you answered yes to any of these questions then keep reading because we are going to put more money in your pocket. The IRS established Section 125 to help reduce some of the burden of medical, dental, vision and dependent care bills. With BASIC Flex, you elect to have a certain dollar amount transferred from your paycheck into a special account to pay for expenses as they occur. This money is taken from your gross pay prior to taxes. You save by not having to pay federal and most state and local taxes, as well as Social Security and Medicare taxes, on the amount you set aside.

EXAMPLE OF SAVINGS FOR A WEEKLY PAYROLL CHECK

Without a Flexible Spending Plan		With a Flexible Spending Plan	
Gross taxable wage	\$500.00	Gross taxable wage	\$500.00
Federal, FICA & State Tax	-113.25	Group Insurance premium contribution	-40.00
Insurance premium contribution	-40.00	Average weekly out-of-pocket expenses	
Take-home pay	\$346.75	Medical/Dental/Vision	-50.00
Average weekly out-of-pocket expenses		Taxable wage	\$410.00
Medical expenses	-50.00	Federal, FICA & State Tax	-92.86
Amount left to spend	\$296.75	Amount left to spend	\$317.14

*assuming 15% Federal tax, 7.65% FICA tax (Social Security and Medicare)

The savings really add up. This example leads to a \$20 a week savings. Where would you rather have the money go; in your pocket or toward taxes? In a year, an extra \$1040 could help pay increasing gas prices or help fund your entertainment budget. With BASIC Flex you can put the money back in your pocket. To find out what your savings would be visit www.basiconline.com/fsasavingscalculator.



MEDICAL REIMBURSEMENT

With BASIC Flex you can save 15%-40% on your out-of-pocket medical expenses. Simply calculate your estimated medical expenses for the year and have that amount set aside in a Medical Reimbursement Account. The money is taken before taxes, so you don't pay most federal, state, Social Security and Medicare taxes on that amount. It's like paying wholesale instead of retail.

The full amount of your medical election is available for reimbursement upon the first day of your plan year.

We have provided an example of how a current participant calculated the amount they elected for BASIC Flex. Be sure to base YOUR estimate on known expenses because left over money is forfeited.

	Charges	Savings
Deductible	\$500	\$113
Co-pays	\$450	\$101
Prescriptions	\$480	\$108
Contacts	\$220	\$49
Dental	\$100	\$22
Over-the-counter items+	\$75	\$16
Total	\$1795	\$409

*assuming 15% Federal tax, 7.65% FICA tax (Social Security and Medicare)

When you incur an eligible out-of-pocket expense submit your itemized documentation to BASIC and receive a tax free reimbursement.

If you have questions at anytime regarding BASIC Flex simply call 800.444.1922 x 1 and speak to a BASIC Flex Customer Service Representative.

IRS regulations govern the eligibility of claims which include those that are not fully covered by a health care plan and are prescribed by a physician or other licensed professional, primarily for preventing, treating or mitigating a physical defect or illness. The IRS does not allow reimbursement for the following: cosmetic surgery, insurance premiums, teeth bleaching / whitening, nutritional supplements/vitamins, marriage counseling, debit counseling, eyeglass sun clips and prepayment of services. For more details, refer to IRS Publication No. 502.

MEDICAL ELECTION WORKSHEET.

If you have questions at anytime regarding BASIC Flex simply call 800.444.1922 x 1 and speak to a BASIC Flex Customer Service Representative.

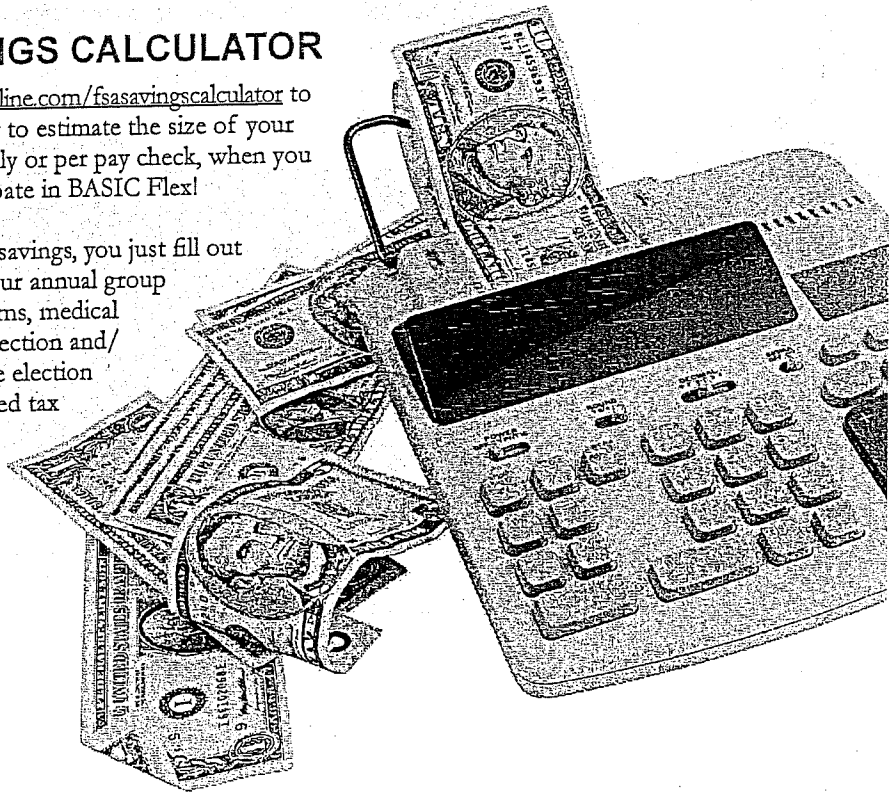
Use the list on the opposite page to estimate your predictable medical, dental, vision and over-the-counter (OTC) expenses for your plan year, services rendered outside of the plan year are not eligible. These pages list commonly reimbursed eligible expenses as well as examples of ineligible items.

IRS regulations govern the eligibility of items and claims. As a Flex Administrator, BASIC helps ensure that you and your employer stay within these regulations. If you have a question regarding a specific item or treatment, call a BASIC Flex Customer Service representative at 269.327.1922 x 1 or 800.444.1922 x 1.

TAX SAVINGS CALCULATOR

Visit www.basiconline.com/fsavingscalculator to use our calculator to estimate the size of your tax saving, annually or per pay check, when you choose to participate in BASIC Flex!

To estimate your savings, you just fill out the amount of your annual group insurance premiums, medical reimbursement election and/or dependent care election and your estimated tax bracket (15%, 23%, 28%, 32%, 40%, or 45%).



EXPENSE	ESTIMATED COST
MEDICAL*	
Acupuncture	\$
Chiropractor	\$
Podiatrist	\$
Deductible	\$
Co-pays	\$
Doctor fees	\$
Office visit	\$
Prescriptions	\$
Hospital bills	\$
Laboratory fees	\$
Medic alert bracelet	\$
Dermatologist	\$
Immunizations	\$
Obstetrical expenses	\$
Routine physicals	\$
X-rays	\$
Well baby checkups	\$
HEARING*	
Hearing exam	\$
Hearing aids	\$
Special batteries	\$
VISION*	
Glasses	\$
Eye exam	\$
Contact lenses	\$
Contact lens solution	\$
Prescription sunglasses	\$
LASIK surgery	\$
Visine and eye drops	\$
Reading glasses	
DENTAL*	
Orthodontic	\$
Dentures/bridge/crowns	\$
Fluoride treatments & seals	\$
Cleanings and fillings	\$
Root canals	\$
Extractions	\$
COLUMN #1 TOTAL	\$

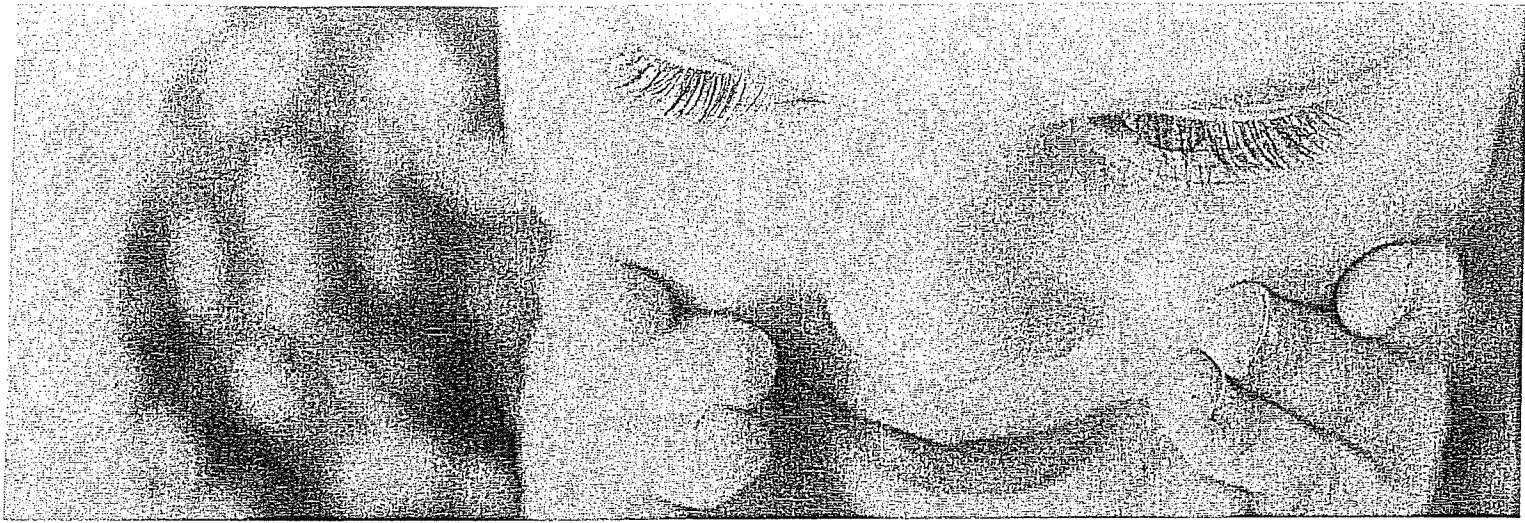
EXPENSE	ESTIMATED COST
DIABETIC SUPPLIES*	
Insulin	\$
Glucometer	\$
Syringes/Needles	\$
Test Strips	\$
BIRTH CONTROL DEVICES*	
Condoms	\$
Prescriptions	\$
Sterilization	\$
THERAPY*	
Physical therapy	\$
Learning disability	\$
Psychologist fees for medical care	\$
Psychiatric care	\$
PHYSICAL IMPAIRMENTS*	
Wheelchair	\$
Crutches	\$
Walker	\$
Custom made orthopedic shoes and inserts	\$
SPECIAL NEEDS*	
Transportation to and from doctor/hospital (call for current mileage rates and guidelines)	\$
OVER-THE-COUNTER ITEMS*	
Sunscreen	
Band-aids	\$
Carpal tunnel wrist supports	\$
Cold/hot packs for injuries	\$
Home pregnancy tests	\$
Incontinence supplies	\$
Liquid adhesive for small cuts	\$
Nasal strips	\$
COLUMN #2 TOTAL	\$

EXPENSES THAT REQUIRE A LETTER OF MEDICAL NECESSITY	
The IRS allows reimbursement of the following with a copy of the physician's statement of medical necessity that includes the specific product/service and a diagnosis. Treatment can not be for general health or well being. A copy needs to be submitted with every reimbursement request and a new letter needs to be reinstated every 12 months.	
EXPENSE	ESTIMATED COST
Health club fees/gym memberships	\$
Nutritional supplements/vitamins	\$
Massage therapy	\$
Acne medication	\$
Weight loss programs (i.e. Weight Watchers and Jenny Craig) Program fees are eligible but food portions are not	\$
Stop smoking programs/items	\$
OVER-THE-COUNTER MEDICINE	
Acid controllers	
Antibiotic products	
Anti-diarrheas/gas	
Anti-itch/insect bite	
Antiparasitic treatments	
Baby rash creams	
Cold sore remedies	
Cough, cold & flu	
Digestive aids	
Feminine anti-fungal/anti-itch	
Hemorrhoidal preps	
Laxatives	
Pain relief	
Sleep aids & sedatives	
Stomach remedies	
COLUMN #3 TOTAL	\$

ESTIMATED EXPENSES	
COLUMN 1	\$
COLUMN 2	\$
COLUMN 3	\$
TOTAL ESTIMATED EXPENSES	

EXAMPLES OF INELIGIBLE EXPENSES
The IRS does not allow reimbursement for the following:
Cosmetic surgery
Insurance premiums
Marriage/debt counseling
Eyeglass sun clips
Eyeglass or contact warranty
Prepayment of services
Special (dietary) foods
Personal care items
Sanitary products
Diapers
Deodorant
Chapstick
Face cream or moisturizers
Teeth bleaching/whitening
Tooth brushes/toothpaste
Floss/flossing devices

* Please note: This list is a broad overview of eligible expenses; not all services provided by a provider or practitioner are eligible under the IRS regulations. Please call BASIC regarding your specific item or treatment to confirm eligibility.



DEPENDENT CARE REIMBURSEMENT

If you're one of the many people who spend money on child care while at work, a Dependent Care Reimbursement Account is a logical choice. Using BASIC Flex is like getting child care or preschool on sale. The money is deducted before taxes so you don't pay most federal, state, Social Security and Medicare taxes on that amount. The savings range from 15% to 40% depending upon your tax bracket.

Determine the amount to put into your Dependent Care Account and start saving. A single parent or a married couple filing jointly can elect up to \$5000 per family, while a married person filing separately can elect up to \$2,500 (It's \$2,500 for that person but still \$5,000 for the family). Unlike the Medical Reimbursement Account, this is a pay-as-you-go account and employers will not advance you any money. Reimbursements are not made until funds are available. Remember, left-over money is forfeited, so elect only what you know you'll spend.

Here is an illustration of someone in a 15% tax bracket with the maximum \$5,000 election. They would save \$1,132 in one year using BASIC Flex.

WEEKLY PAYROLL CHECK			
Without a Flexible Spending Plan		With a Flexible Spending Plan	
Gross taxable wage	\$500.00	Gross taxable wage	\$500.00
Federal, FICA & State Tax	-113.25	Dependent care election (<i>\$5,000 divided by 52 weeks</i>)	-96.15
Take home pay	\$386.75	Taxable wage	\$403.85
Dependent care election (<i>\$5,000 divided by 52 weeks</i>)	-96.15	Federal, FICA & State Tax	-91.47
Amount left to spend	\$290.60	Amount left to spend	\$312.38

DEPENDENT ELIGIBILITY

- You and your spouse must be employed or actively seeking employment or attending school full time.
- Child must be a dependent under 13 years of age and be in your custodial care more than 50% of the calendar year. If your child turns 13 during the plan year, expenses are no longer eligible for reimbursement.
- A spouse or dependent who is incapable of self-care and regularly spends at least eight hours per day in your home (i.e. an invalid parent).

SERVICE REQUIREMENTS

- Provider may not be a minor child or dependent for income tax purposes (i.e. an older child).
- Service provider must claim payments as income and comply with state regulations.
- Services must be for the physical care of the child, not for education, meals, etc.
- Overnight camps are not eligible for reimbursement.
- Expenses paid for Pre-K are eligible but kindergarten and higher is not.

NOTE

- This is a pay-as-you-go account. Your employer will not advance any money.

*assuming 15% Federal tax, 7.65% FICA Tax (Social Security and Medicare)

If you qualify for the Child Care Credit, the same IRS rules apply. If you have 2 or more children and spend more than \$5,000 for child care, you may have additional tax credits available to you. For more details, refer to IRS Publication No. 503

ACQUAINT YOURSELF WITH THE FACTS.



WWW.BASICONLINE.COM
P 800.444.1922 x 1.
F 800.391.6562

9246 PORTAGE INDUSTRIAL DR.
PORTAGE, MI 49024

WHEN IN DOUBT, ASK BASIC.

We realize that the IRS regulations can be confusing at times. Please call

BASIC Flex, prior to election, if you have any questions about the eligibility of any item, event, service or treatment. One of our Customer Service Representatives will be happy to listen to your exact situation and advise you on the regulations that apply so you can make the best election for your situation.

We want your BASIC Flex plan to benefit you in every way possible.

Each plan can differ slightly. The list below applies to most plans; however, for specifics on your plan please refer to your Summary Plan Description, contact your Benefits Coordinator or BASIC Flex at 800.444.1922 x 1.

- Flex Benefits end upon termination of employment and/or participation.
- Services must be rendered during your current plan year. For new employees entering the plan during the plan year, services must be rendered after eligibility or election date.
- Refer to the Summary Plan Description (SPD) booklet to find out how long you have to submit remaining claims after your plan year or coverage has ended.
- You may change your annual election if you have a qualified change in status (marriage, birth, adoption, death or divorce). The change in status must correlate with the event and be made within 30 days of the event. For example, if the event is a birth, you may increase your election, not decrease it.
- Your pre-tax contributions through your BASIC Flex plan could reduce your future social security benefits; however studies show it is usually less than 1%.
- According to the IRS, money left in your account may become the property of your employer and cannot be returned to you. Please see the Summary Plan Description (SPD) for further details. Most people use all their funds by good planning . . . such as getting a physical or dental checkup or new glasses. Rarely is there ever more than 5% left in the account, and the tax savings more than outweigh this amount.

BASIC LIMITED PURPOSE FLEX

BASIC Limited Purpose Flex is a reimbursement account specifically designed for individuals with a Health Savings Account (HSA). IRS regulations state that an individual with an HSA may not simultaneously have a general purpose flex plan, but they are allowed a limited purpose flex plan. If you or your spouse are currently enrolled or plan to enroll in an HSA during your flex plan year, a limited purpose flex plan might be just what you need. The difference between BASIC Flex and BASIC Limited Purpose Flex is the eligible expenses. A BASIC Limited Purpose Flex plan only allows for reimbursements of dental, vision and post deductible expenses (co-insurance and co-pay expenses after your deductible has been met). With a limited purpose flex, you may still sign up for a dependent care account.

While this booklet provides general information about a plan, a Summary Plan Description Booklet containing further details is available. If you have specific questions regarding your particular situation, you may want to consult an attorney or accountant.



Health FSA Carryover

The US Treasury Department modified its Healthcare Flexible Spending Account (FSA) "use-it-or-lose-it" provision to allow carryover of FSA funds.

This is great news for you, because:

- You can carryover up to \$500 of your unused Health FSA, aka Medical Reimbursement Account, funds into the next plan year.
- This eliminates the risk of losing Health FSA funds if you elect \$500 or less and remain an active/eligible employee.
- The Health FSA funds can continue to roll into future plan years until they are spent (if your employer continues to allow carryover.)
- The money you put in a FSA is not taxed, so assuming you elect \$500 and pay a combined 30% state and federal tax rate, you're saving 30% off healthcare expenses funded through the account. That is \$150 in savings!
- Important:
 - Carryover funds are not available in the new plan year until the 15th of the month following the end of the run-out period.
 - This provision does not apply to Dependent Care FSA Funds.

THE NEW
FSA

~~USE OR
LOSE~~
Carryover \$500

- Remaining funds will Carryover to the account type elected in the new plan year. If a new election is not made the funds will Carryover to the same account type.
 - ➔ NOTE: If applicable, to be HSA qualified you must elect a Limited Purpose FSA in the new plan year if you have funds remaining in a General Purpose FSA.

If you chose not to participate in the past because of the Health FSA "use it or lose it" mandate, it's time to take another look. The benefit will automatically take effect on your account should you decide to participate in the Health FSA.

Flexible Spending Just Got More Flexible!



How to Submit
 Secure Upload: Via Employee Portal
 Fax: 269-327-0716
 Mail: BASIC•9246 Portage Industrial Dr. •Portage, MI 49024

**FSA/DCA Card
 Claim Form**

Participant Information To Update your information, log on to your account at www.basiconline.com/account_access

Employer: _____
 Name: _____ Social Security #: _____

Eligible Medical & Dependent Care Expenses

Medical Expenses:

- Documentation for each request must show
 - Date(s) of service
 - Description of service provided
 - Charge for the service
 - Provider's name and address.

Over-the-Counter Items:

- Any items considered to be a "medicine", i.e. Tylenol®, cold medicine, Ibuprofen etc., will require a Letter of Medical Necessity (LMN) from your medical provider. LMN is good for one year from date of issue.

Dual Purpose Procedures:
 Some medical treatments such as massage therapy and gym memberships will also require a Letter of Medical Necessity.

Dependent Care (Day Care) Expenses:

- Documentation for each request must show
 - Date(s) of service
 - Name of provider/day care center
 - Charge(s)/Amount for care
 - Provider's name and address

Eligible Expenses:

- Child(ren) must be under the age of 13
- Care for child(ren) while you and your spouse are working
- Care for a dependent that is physically or mental not able to care for oneself.

Expenses Not Eligible:

- Care for Child(ren) over the age of 13
- Overnight camps
- Care for child(ren) while you are not working (vacation, leave of absence, day off, etc)

Signature of Day Care Provider: _____
 Your provider may sign this form on the line above or provide a receipt for services.

Itemized Medical & Dependent Care Expenses

Benefit Card used for this expense [please check yes or no]	Medical or Day Care Expense [please check expense type]	Date(s) of Service [provide the date or date range which service(s) were provided]	Service Provider [The name of the provider who provided the service]	Amount [Enter the reimbursement amount requested]
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Medical <input type="checkbox"/> Day Care			\$
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Medical <input type="checkbox"/> Day Care			\$
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Medical <input type="checkbox"/> Day Care			\$
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Medical <input type="checkbox"/> Day Care			\$
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Medical <input type="checkbox"/> Day Care			\$

I certify that I have not already been paid for these expenses from my Medical/Dependent Care Plan or any other source. I have submitted the above information in good faith and it is correct to the best of my knowledge. I understand that reimbursement is not a guarantee. The service for which I am requesting reimbursement must be incurred during my period of participation. Services incurred after participation ends are not eligible for reimbursement even if there was a balance remaining in my account.

Signature: _____ Date: _____



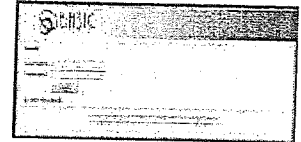
BASIC FLEX ONLINE ACCOUNT ACCESS



Below are instructions on how to access your BASIC Flex Account online. After logging in for the first time, please go to the **Tools & Support** tab and select **BASIC Flex Users Guide** for important information about using your account.

Access your account online:

1. Go to the Portal website login (<https://basic.lh1ondemand.com/>). Please bookmark this webpage or add it to your favorites so you can quickly access it in the future. The online access page looks like the image to the right.



2. Login using the following:

User name:

Your username is created using the first letter of your first name, the first four* letters of your last name and the last four digits of your Social Security number. (i.e., John Wayne 123-56-6789 = jwayn6789)

*If your full last name is less than four letters, you will use your full last name. (i.e., Susan Lee 111-22-3333 = slee3333)

Password:

The first time you log into the system, use **BASIC123 (BASIC in all caps)** as your password. You will be prompted immediately to create a new, unique password before entering the participant portal.

View your account information:

Your home page will provide you with your current account balance(s) and if there are any actions required by you.

ACCOUNTS: You can view up-to-date account information at any time.

- Select *Account Summary* to check the balance of any account(s).
 - Click on the Account Name for information on the plan rules such as effective date and final claim filing date.
- Select *Claims* to view your claims history.
- Select *Payments* to view your payment history.

STATEMENTS & NOTIFICATIONS: Here you will view all notifications and reminders generated to you such Account Statements and Receipt Reminders.

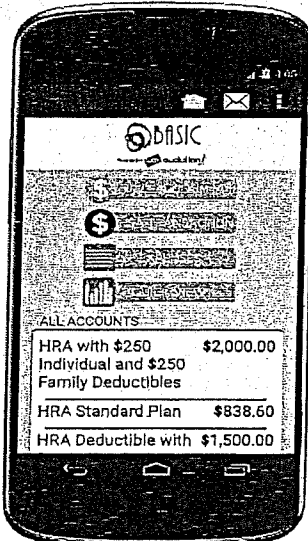
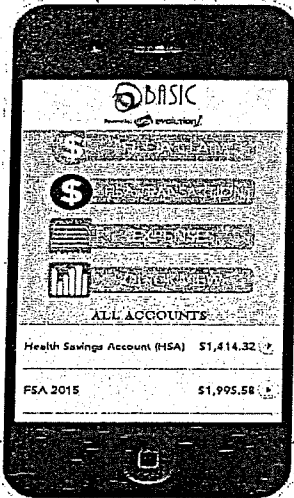
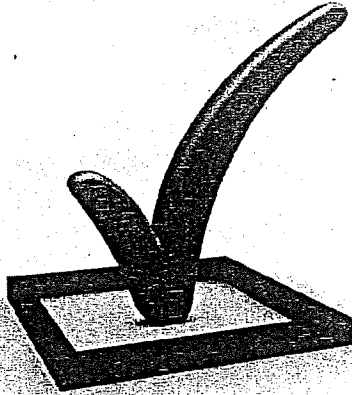
PROFILE: Select *Profile* to review and/or update your personal and dependent information that's on file in the system.

TOOLS & SUPPORT Select the form(s) you would like to download, including the **DIRECT DEPOSIT FORM**, **BASIC FLEX USERS GUIDE**, **MOBILIE APP QUICK START GUIDE**, and a **CLAIM FORM** to use when you mail or fax a claim to BASIC. The forms are in PDF format, requiring Adobe Acrobat Reader. You may download a free version of acrobat reader from the Adobe website: <http://www.adobe.com/products/acrobat/readermain.html>

FOR YOUR

CONVENIENCE.

Providing Technological Solutions



Flexible Spending Mobile Apps

Quick Start Guide for Version 2.1

Before you begin, please ensure that you have activated your account access at the Employee Portal Website. To access the Employee Portal Website, visit <https://basic.lh1ondemand.com>.

For iPhone Users

To download Benefits by BASIC for iPhone OS, follow these simple steps:

1. Visit the App Store and search "Benefits by BASIC" using the search feature.
2. Install the Benefits by BASIC app.
3. The app will appear as Benefits on your device.
4. When accessing the app for the first time, you will be prompted to enter your user name and password. Enter the same user name and password that you use to access the online portal via a computer at <https://basic.lh1ondemand.com>.
5. You will also be prompted to select a passcode. You will use this passcode to access the app in the future.

For Android Users

To download Benefits by BASIC for Android follow these simple steps:

1. Visit the Android Market and search "Benefits by BASIC" using the search feature.
2. Install the Benefits by BASIC app.
3. The app will appear as Benefits on your app menu.
4. When accessing the app for the first time, you will be prompted to enter your user name and password. Enter the same user name and password that you use to access the online portal via a computer at <https://basic.lh1ondemand.com>.
5. You will also be prompted to select a passcode. You will use this passcode to access the app in the future.



800-474-1922 x 1

Flex-HraSupport@basiconline.com



BASIC FLEX USERS GUIDE DEBIT CARD



Below is important information about using your FLEX account. If you have not previously created your login, please see your confirmation letter for information on how to access your account online.

The difference between a reimbursement and verification:

A reimbursement is when you pay for a qualified expense and DO NOT use your BASIC Debit Card, but pay using check, cash or another credit or debit card. You are requesting a reimbursement from your BASIC Flex account for the money you paid out-of-pocket.



A verification is when you pay for a qualified expense with your BASIC Debit Card. You should keep a copy of all documentation for debit card purchases/payments in case you are required to submit them to BASIC as a verification of the expense and as you would for your income tax purposes. **BASIC advises debit card participants to only send verification documents for your debit card purchases when BASIC requests them to be submitted.** *Failure to submit required documentation will result in your debit card being suspended.*

Reimbursement Submission Overview:

- You should keep a copy of all documentation as you would for your income taxes
- Reimbursements will be made directly to you
 - It is the employee's responsibility to pay the provider if payment was not made at the time of service
- Be sure to select the appropriate plan type and benefit year (if applicable) when submitting your claim online.
- Claim submission Run-Out Period
 - Your plan has a run out period to submit claims at the end of each plan year or after termination of coverage from the plan. Consult your Summary Plan Description or check with your HR Department to determine the length of time you have to submit claims after one of these events have occurred.
- Check your Claims Status online at <https://basic.lh1ondemand.com> or on the mobile app
- BASIC cannot accept emailed claims, so please submit your scanned documentation online through the Portal website (<https://basic.lh1ondemand.com/>) or through BASIC's Secure Claims Upload <https://claims.basiconline.com>.

How to submit a reimbursement:

Submit within the Online Portal Website:

1. Go to the Portal website (<https://basic.lh1ondemand.com/>) and login.
2. Click the File a Claim link listed on the home page.
3. Enter your claim information and submit the claim. Make sure you have valid documentation for your expenses, as you will need to submit them to BASIC. You can upload your scanned documentation or submit it separately after filing your claim. You will need to include a copy of your claim confirmation if submitting separately.
4. If you have more than one claim you'd like to file, you may click File New Claim to add to your claims basket.
5. Once all claims are entered, you must agree to the Terms & Conditions (click on appropriate box) and submit the claim(s) by clicking Submit.
6. **If the claim documentation was not uploaded during the online claim submission, PLEASE PRINT AND SEND THE ONLINE CLAIM CONFIRMATION WITH YOUR DOCUMENTATION!** The confirmation page verifies that all claims have been successfully submitted! You must print this page and Fax, mail or upload through BASIC's Secure Claim Upload along with your documentation. If the required documentation is not received, your claim(s) will not be paid. **Please remember your submission is not considered a claim until the required documentation is received. Claims need to be submitted prior to your plans final filing date (filing deadlines apply).**



BASIC FLEX USERS GUIDE DEBIT CARD



Submit through the Android or iPhone OS Mobile Apps (note this applies to Medical expenses only):

1. Go to the mobile app and login.
2. Click File a Claim to enter your claim information and you will be prompted to optionally take a picture of your documentation.
3. If the claim documentation was not uploaded during the claim submission, PLEASE SUBMIT DOCUMENTATION THROUGH THE MOBILE APP, ONLINE PORTAL, OR SEND BASIC YOUR DOCUMENTATION via Fax, mail or upload through BASIC's Secure Claim Upload (include the claim # and indicate that the claim has been filed online). If the required documentation is not received, your claim(s) will not be paid. Please remember your submission is not considered a claim until the required documentation is received. Claims need to be submitted prior to your plans final filing date (filing deadlines apply).

Submit via BASIC's Online Secure Claim Upload:

- Go to BASIC's Secure Claims Upload: <https://claims.basiconline.com>
- An online claim form will be presented for you to fill in and you will upload/attach your scanned documentation (see the Necessary Documentation section below)

Submit via Mail or Fax:

- A reimbursement form is required with all submissions and you can find the form online (<https://basic.lh1ondemand.com>) in the Tools & Support section. Please use a separate line for each receipt and attach your documentation (see the Necessary Documentation section below).
- When faxing claims, please circle items on receipts or bills. Please don't use a highlighter because it often faxes too dark to read. If the original is light please make a darker copy prior to faxing.
- Fax claims to: 269-327-0716
- Mail claims to: BASIC, 9246 Portage Industrial Dr, Portage MI 49024

How to submit a verification:

You should keep a copy of all documentation for debit card purchases/ payments in case you are required to submit them to BASIC as verification of the expense and for your income tax purposes. Failure to submit required documentation will result in your debit card being suspended.



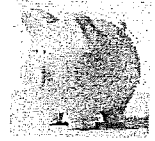
IRS Regulations allow for certain debit card transactions to be automatically adjudicated/approved for pretax payment so that you do not need to send in documentation to verify the eligibility of the transaction(s). In the event that a debit card transaction does not meet the criteria of automatic adjudication/approval, BASIC will request that you provide documentation from your provider for our review. You will receive the request for documentation via mail or email (if applicable).

When documentation is requested, please submit one of these ways:

- Through online Portal website (<https://basic.lh1ondemand.com/>)
- Upload through the mobile app
- Submit your reimbursement/verification form or a copy of the documentation request notice with the required documentation (see the Necessary Documentation section below) to BASIC:
 - BASIC's Secure Claims Upload: <https://claims.basiconline.com>
 - Fax claims to: 269-327-0716
 - Mail claims to: BASIC, 9246 Portage Industrial Dr, Portage MI 49024
- Important Note: if you are using the verification form to submit your documentation (found online at <https://basic.lh1ondemand.com/> in the Tool & Support section):
 - Use a separate line for each receipt you have



BASIC FLEX USERS GUIDE DEBIT CARD



- Check the YES box to the left of the line you have entered the information
- It is important for you to check this box to insure you are not issued a reimbursement check. If a reimbursement is made, which results in paying for an item or service more than once, you will need to return the check or repay your employer
- Check your claim status online at <https://basic.lh1ondemand.com> or on the mobile app

Eligible Expenses:

IRS regulations govern the eligibility of claims. As your Flex Administrator, BASIC helps ensure that you and your employer stay within those regulations. For a list of common eligible expenses, visit www.basiconline.com, click on Current Clients then under Participants & Employees select BASIC Flex then click on Administration Information & FSA Education. If you have a question regarding a specific item, please call a BASIC Flex Customer Service Representative at 1-269-327-1922 ext. 1 or 1-800-444-1922 ext 1.

Necessary Documentation:

As a FSA Administrator, we are required to receive specific documentation showing that your purchase is an eligible expense according to the IRS regulations. Below are helpful hints to ensure you submit proper documentation that is necessary in order to avoid a delay or denial of your reimbursement request.

MEDICAL REIMBURSEMENTS

- **Explanation of Benefits (EOB)** - The best form of documentation for medical, dental & vision expenses is an EOB from your insurance carrier.
- **Itemized Statement** - An itemized statement from your provider is also acceptable but needs to include date of service, detailed description of the service provided, provider's name, address & charge for the service. This is true for verifications as well as reimbursement requests.
- **Prescriptions** - For prescriptions, please provide a cash register receipt that lists RX next to the item number and/or RX tag. Pharmacy print-outs are also acceptable.
- **Vision** - Send detailed vision bills from your provider which include date of service, detailed description of the service provided, provider name, address & charge for the service. Please note: Warranties and/or service plans are not eligible for reimbursement.
- **Orthodontics** - Send detailed documentation or payment coupons from your provider which indicate orthodontic treatment and also include date of service, provider name and description of service.
- **Letter of Medical Necessity (if needed)** - A letter of medical necessity needs to include a diagnosis, duration of treatment and description of treatment plan. Letters of Medical Necessity or Prescriptions from your provider expire one year after date written. A Letter of Medical necessity form can be found at: www.basiconline.com/employees/services/BASIC_Flex/Participant_Forms
- **Massage Therapy and Weight Loss Programs** - For massage therapy and weight loss programs, please submit a copy of the physician's statement/letter of medical necessity; including diagnosis with every reimbursement request.
- **OTC** - Over the Counter (OTC) drugs and medicines require a prescription (RX) or letter of medical necessity that is completed by a physician. This documentation needs to be submitted with each claim and renewed yearly. To check a specific item you may want to refer to www.fsastore.com where you can search for eligible items. If the item is an eligible expense, it will be designated as FSA eligible. You may also call a BASIC Flex Customer Service Representative for clarification. Please note: not all items appearing on these web sites as FSA eligible items qualify for reimbursement.

NOTE: If you have the BASIC Benefits Card the excluded items cannot be purchased with the card. These items will need to be purchased with another form of payment then submitted for reimbursement with your letter of medical necessity/RX and receipt for the product purchased.

DEPENDENT CARE



BASIC FLEX USERS GUIDE DEBIT CARD



Dependent Care (Day Care) Facts:

- This is a pay-as-you-go account, meaning reimbursements are made when funds become available
- Child Care provider must claim payments as income
- Meals and transportation expenses are not eligible
- Child(ren) must be under the age of 13 and be a dependent for income tax purposes
- Child Care provider may not be a minor child or dependent of the tax payer
- Overnight camps are not eligible
- Education/schooling for Kindergarten and beyond is not eligible

Dependent Care Necessary Documentation:

- Itemization of dates of service and charges:
 - Receipt from Day Care provider or
 - Day Care providers' signature on the reimbursement claim form

Debit Card Frequently Asked Questions:

What happens if I forget to submit verification?

- If we do not receive your documentation within 60 days of the purchase, your BASIC Benefits Card will be suspended.
- If your card is suspended, you can have it reactivated by submitting the requested documentation or refund the amount charged (see steps below under ineligible items).
- While your card is suspended you may still submit reimbursement requests for items or services for which you paid out of pocket (see above for instructions regarding reimbursements).
- You can prevent your card from being temporarily suspended by monitoring your transaction status via your online access.



What happens if I purchase an ineligible item(s)?

- You will receive an email or letter from BASIC requesting a refund.
 - Mail a check, payable to your employer, to BASIC at 9246 Portage Industrial Dr, Portage MI 49024.
 - Once this is received, your account will be credited and the check will be forwarded to your employer.

What if I do not have my BASIC Benefits Card and I need to purchase a qualified product or service?

- Pay your bill with your own cash, debit/credit card, or check
- Keep your itemized billing statements and Explanation of Benefits
- Submit a request for reimbursement (see above)

Why doesn't my card work at the pharmacy or retailer?

- The pharmacy or retailer may not be IIAS compliant
- You may have outstanding debit card transactions that need to be verified
- You may be trying to purchase an item that is not eligible under IRS Regulations

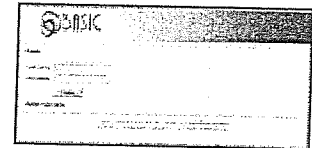


BASIC FLEX OVERVIEW Lake Superior State University



Access Your Account Online:

1. Go to the Portal website login (<https://basic.lh1ondemand.com/>). Please bookmark this webpage or add it to your favorites so you can quickly access it in the future. The online access page looks like the image to the right.



2. Login using the following:

User name:

Your username is created using the first letter of your first name, the first four* letters of your last name and the last four digits of your Social Security number. (i.e., John Wayne 123-56-6789 = jwayn6789)

*If your full last name is less than four letters, you will use your full last name. (i.e., Susan Lee 111-22-3333 = slee3333)

Password:

The *first time* you log into the system, use **BASIC123 (BASIC in all caps)** as your password. You will be prompted immediately to create a new, unique password before entering the participant portal.

After your first log in you can use the "forgot password" link if you do not know your password.

3. Go to the "Tools & Support" tab and select the BASIC Flex Users Guide for more information about your account or the **Mobile App** Instructions to learn how to download the Android or Apple mobile app.

Plan Overview:

- Plan year is January 1 – December 31
- Medical Reimbursement Account maximum election amount: \$2,600.00
- Dependent Care Reimbursement Account maximum election amount: \$5,000.00
- Claims Runout Period: 90 days after the plan year end – this is the time after the plan year ends that you have to submit claims for services received/incurred during the plan year
- Medical Reimbursement Carryover - up to \$500 of your unused Medical Reimbursement Account funds will rollover into the next plan year, reducing your "use it or lose it" risk
 - Eliminates the risk of losing funds if you elect \$500 or less
 - Maximum carryover amount into the new plan year is \$500
 - You must be an active employee eligible for the plan to have access to the \$500 carryover
 - Carryover funds are not available in the new plan year until April 15th following the plan year end
 - Carryover does *not* apply to the Dependent Care Account
- For more information, please see your Plan Document, Summary Plan Description (SPD), and https://www.basiconline.com/employees/services/basic_flex/

Debit Card Documentation May be Requested for:

- Any Medical Purchases not matching Lake Superior State University's health plan co-pays
- Almost all Dental & Vision Purchases
- Some Pharmacies not subject IIAS auto adjudication requirements

Note: Documentation must include the following information: Provider name, detailed description of the service provided, date of service, and patient responsibility amount. Credit card receipts and balance due statements do not include all necessary information needed to approve the transaction. Explanation of Benefit is the best form of documentation.

FSA Store
THE FLEXIBLE SPENDING ACCOUNT SITE

Thousands
of FSA
Eligible
Products
Online



Code: BA5

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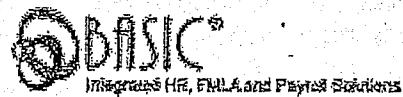
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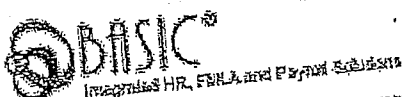
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PLEASE PRINT CLEARLY TO ENSURE ACCURATE ENROLLMENT AND FUTURE COMMUNICATION.

Employer Name: _____

Participant First Name: _____ Last Name: _____

Social Security #: [] [] [] - [] [] - [] [] [] [] Date of Birth: ____ / ____ / ____

Address: _____

City, State, Zip: _____ Phone Number: _____

E-mail Address: _____ (Notification of direct deposit payments are only sent via e-mail)

Pay Period: Weekly Semi-Monthly (twice a month) Bi-Weekly (every other week) Monthly

PREMIUM CONTRIBUTIONS

- I elect to participate (check all that apply)
- Health Insurance Group Life Insurance Disability Insurance Dental Insurance
- HSA Contributions Vision Insurance Other(s) _____

The amount of salary reduction needed to pay premiums under the insured portions of the Plan will be determined by my employer.

I elect NOT to participate

EMPLOYER USE

Please complete for mid-year enrollments

Date of first deduction: _____

Eligibility date: _____

MEDICAL REIMBURSEMENT ACCOUNT

I elect to participate \$ _____ annually (may not exceed employer limit of \$ 2,600)
annual election will be divided by the number of pay periods in the plan year or the remaining number of pays for mid-year enrollments

This Medical Reimbursement Account is a Limited Purpose Account for HSA eligibility (see page 6)

I elect NOT to participate

DEPENDENT CARE ACCOUNT

I elect to participate \$ _____ annually (may not exceed \$5000 or \$2500 if married filing separately)
annual election will be divided by the number of pay periods in the plan year or the remaining number of pays for mid-year enrollments

I elect NOT to participate

DIRECT DEPOSIT (not all employers allow direct deposit as a reimbursement option)

- Use account information on file Use account information below No Direct Deposit
- Checking account OR Savings account

CHECK EXAMPLE

⋮ 23456789 ⋮ 0000123456 ⋮ 1234

routing number account number check number

Financial Institution (name of bank): _____

Routing Number (always 9 digits): [] [] [] [] [] [] [] [] [] Account Number: _____

I request that my periodic paychecks for the plan year be reduced on a pro rata pre-tax basis by the sum of my medical reimbursement, dependent care and premium contributions to the plan, with such amount to be allocated among the benefits I selected above. I understand this election form cannot be revoked or changed during the plan year unless there is a qualified change in status as defined in the Summary Plan Description (SPD). I certify that I will only claim reimbursement for eligible expenses for myself and/or qualified dependents as defined in the SPD. I further certify that these expenses will not be reimbursed under any other benefit plan. I understand any unused dollars remaining in my account(s) at the end of the plan year will be forfeited. I have examined this agreement and to the best of my knowledge, it is true, correct and complete.

Employee Signature _____ Date _____

TEAR ALONG THIS LINE