

PROGRESSIVE BENEFITS SOLUTIONS, LLC

Health Care Spending Account

- The health care spending account allows you to make pre-tax contributions to an account that may be used to pay for IRS approved health care expenses not covered under a health benefit plan for which you or your dependents for IRS tax purposes are enrolled. Examples of expenses include co-payments, deductibles, glasses and certain over-the-counter (OTC) drugs. A full listing of the eligible expenses can be found in IRS publication 502, Medical and Dental Expenses at www.irs.gov.

Dependent Care Spending Account

- The dependent care spending account allows you to make pre-tax contributions to an account that may be used to pay for the cost of care for your children under the age of 13 or for any dependent (including your parents) who is mentally or physically incapable of self-care and lives regularly in your household at least eight hours a day while you (or your spouse) work or attend school on a full-time basis.
- Eligible dependent day care includes day care centers, babysitters, or companions.
- You can contribute up to a maximum of \$5,000 if you are a single parent or a married couple filing a joint return (combined contributions made by you and your spouse cannot exceed \$5,000), or \$2,500 per person if you are married and filing separately.
- You should review whether a dependent care FSA or the federal tax credit would be more advantageous for you.

Enrolling in an FSA

- A new FSA enrollment election must be made each year. Participation is voluntary.
- You may contribute to one or both of the FSA's being offered.
- You do not have to be enrolled in the Company's medical/health plan to enroll in a flexible spending account.
- Once made, your election is **irrevocable and cannot be changed** during the Plan Year unless you have a qualifying status change.
- Expenses must be incurred within the current plan year or subsequent grace period if permitted.
- You will be issued a benefits debit card for ease of payment of your eligible FSA expenses. The card is valid for those continuous years that you elect to participate in the Company's FSA's up to the expiration date shown on the front of your card. Replacement fees will apply if a new card must be reissued or additional cards are requested. These fees will be deducted from your account.

Effective Date of Coverage

- If you are a new employee, you must make your FSA election and submit this form to Human Resources within 30 days of your eligibility date. Your contributions will become effective with the first pay period following your eligibility date. If you waive coverage at the time of hire, you must wait until the next open enrollment period to elect to participate for the subsequent plan year unless you have a qualifying status change during the plan year.
- If you are enrolling or making an election change mid-year due to a qualifying status change, your election must be received and approved by Human Resources within 30 days of the status change date.
- If you are rehired in the same calendar year after a break in service that is 30 days or less, your previous FSA elections will be reinstated as of your date of hire. If the break in service is longer than 30 days or if you are rehired in a new calendar year, you will make new FSA elections which will become effective as of your rehire date.

For more information, please contact the Human Resources Department.