



TASC Card and Your Local Merchants

Current Situation

Early in 2010 TASC released the new TASC Card, a health-care payment card unlike any other. While cleared for take-off, this innovative card has experienced unpredictable delays at a few merchants. In particular, when attempting to purchase eligible healthcare products some TASC Card users have had Card transactions declined, simply because of system limitations at these merchants. In some instances ineligible items may have been processed on the TASC Card. We are evaluating options for the repayment of these expenses. Upon completion of our evaluation we will communicate how this may affect you. We apologize for any inconvenience you may have experienced when using the TASC Card.

Why This Occurred

In most cases, the declines are occurring for one of two reasons:

- (1) The merchant or the merchant's Processor has failed to load the TASC Card information into their systems to support auto-substantiation of healthcare expenses. We are working with merchants and Processors to rectify this situation, with all major vendors conforming and fewer and fewer others not conforming.
- (2) The merchant is not IAS Certified or 90 Percent Registered (the IRS requires merchants to implement one of these procedures to accept healthcare related Cards); either classification is required for point-of-sale substantiation of healthcare expenses. These Card declines are unfortunate, but not unexpected. We are in the process of providing online tools to help you ascertain which merchants in your area are certified or registered to accept the TASC Card.

How You Can Help

In the meantime, you can take these steps to help ensure that your TASC Card continues to function properly.

- (1) First, make sure you are using the Card for eligible expenses only. (A list of eligible expenses is available at www.tasconline.com/expenses.pdf)
- (2) Second, when purchasing eligible and non-eligible items from the same merchant, we suggest that you pre-sort the items before checking out, and that you use the TASC Card to purchase only items that are eligible under your Flexible Spending Account (FSA) Plan. Use some other form of payment for the non-eligible items. We will notify you when merchants have addressed the issues outlined earlier and the merchant's system automatically separates non-eligible from eligible expenses on the TASC Card.
- (3) Third, we suggest that you always save your receipt when purchasing eligible items, whether paying via the TASC Card or another method. At any point your employer, TASC or even the Internal Revenue Service (IRS) may request a receipt to verify an expense. It is your responsibility to comply with your Plan's guidelines and to avoid duplication of reimbursements or submission of ineligible expenses.

Thanks For Your Patience

Once again, we apologize for any inconvenience this situation has caused. Please contact our Customer Service Department with any additional questions please have your TASC 12-digit ID available when you call. Your ID number is found on your new TASC Card.