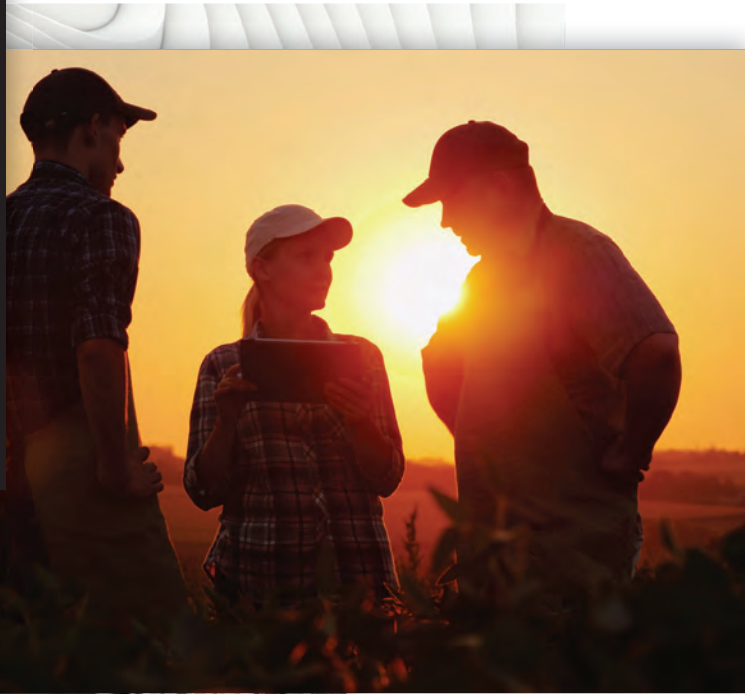


CLIENT
ADMINISTRATION
MANUAL





Welcome

Congratulations on your purchase of an AgriPlan or BizPlan Section 105 Health reimbursement Arrangement (HRA)*. By enrolling in this tax-advantaged benefit program you can now deduct your family's insurance premiums and out-of-pocket medical expenses as business expenses and will save on average more than \$5,500 a year!

Simple. Successful. Guaranteed. These comprehensive and innovative employee benefit Plans have been specifically designed for this new regulatory environment. Uncertainty over the future of the Affordable Care Act, tax reform changes, and the impact on employee health & welfare benefits causes concern amongst us all. We've got you covered! TASC has a Legislative Analyst and legal counsel on staff to ensure we make any necessary adjustments to your Plan features and protect your tax savings.

TASC protects your bottom line and ensures peace of mind. Your Plan is protected by our industry-exclusive Audit Guarantee! In the unlikely event you are audited, TASC will defend you in court and assume financial responsibility for any penalty and/or interest as it pertains to your Plan if you follow the procedures and guidelines outlined in this important Manual. And we're so sure of the value of BizPlan that TASC will refund 100% of your administration fee if you do not deduct at least \$2,000 in a Plan year!#

We work hard so you don't have to. Your Plan comes packaged with many features and tools that minimize your workload and make it easy to manage your Plan. Be sure to take advantage of our free MyTASC online tools and coveted TASC Card debit card that automatically reimburses medical expenses with the swipe of a card.

WELCOME TO THE PLAN!

*A No Limit Plan is a self-funded Plan; it is not technically an HRA. #Does not apply to S-Corporations.

Table of Contents

This Administration Manual provides all of the guidance you need to properly manage your Plan. You will also receive an invitation to attend a recorded training webcast at your convenience. This will help educate you on the requirements necessary to keep your Plan compliant and all the features we offer to help you do so. In the meantime, if you have any questions pertaining to your Plan call us toll-free at 800.422.4661. While not required, the 12-digit MyTASC ID provided in your welcome letter will help get you to the right contact quickly.

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One Employee Plan

One Employee Plan

Changing Healthcare Reform Regulations

One Employee Plans are exempt from the Affordable Care Act (ACA). Please follow the guidance contained within this section of the Manual to properly administer your Plan. **If you have multiple employees, please refer to Section 8 Multi-Employee Plans on page 28.**

Getting Started

The hiring of family members is closely scrutinized. It's crucial that related employees are formally hired and that the relationship between employee family members and the business owner is legitimate and necessary. As a best practice, TASC recommends that your business treats non-related and family member employees identically. Follow these simple steps to set up and operate your Plan:

1) Written Plan Document

A written *Plan Document* must be in place and officially adopted by the employer in order to provide pre-tax benefits. TASC keeps your *Plan Document* on file should the need ever arise where you are required to produce this documentation.

2) Verify your Plan Description

Your *Plan Description* lists benefits, elections, eligibility requirements, and other terms and conditions of your Plan. Download and complete your Plan Description. Verify your Plan is set up correctly and then print a copy to keep in your files.

3) Establish an Employer/Employee Relationship

A One Employee BizPlan is designed to optimize tax savings for family-operated businesses that provide bona fide employment to a family member. BizPlan incorporates the concepts of IRS Code Section 105 as well as some Revenue and Letter Rulings. It is important that an employee is formally hired and that the relationship between employed family members is legitimate and necessary. Expectations and job duties must be clearly understood and the compensation provided to an employee must be



One Employee Plan Administration:

Great news, because of the countless hours that TASC's legal, compliance and governmental affairs departments spent researching the Affordable Care Act and healthcare reform requirements, One Employee Plan administration has been simplified.

A One Employee Plan **DOES NOT REQUIRE:**

- A Summary Plan Description.
- A Summary of Benefits & Coverage.
- Patient-Centered Research Outcome Institute (PCORI) Fee and IRS Excise Tax Form 720 filing.
- Marketplace Notices.

In addition, your Plan is **NOT** subject to:

- Employee Retirement Income Security Act (ERISA).
- Health Insurance Portability and Accountability Act (HIPAA).
- Consolidated Omnibus Budget Reconciliation Act (COBRA).

reasonable for the duties being performed. The Plan must be established for the benefit of the employee(s), which may include an employed spouse.

4) Establish an Employment Agreement

(See *Forms* at the back of this Manual)

This agreement should be in writing, signed by the employer, and kept on file by the employer until the employment ceases. It should outline the details of the employment arrangement, including the employee's duties, responsibilities, compensation, and hours worked (full- or part-time). The style or format used is not as important as the content. This agreement should be updated and signed once a year. The employer and employee should each retain a copy.



While the IRS is not specific about the portion of compensation that must be a cash wage in regard to 105 Plans, a 10th Circuit Court ruling stated that no minimum wage must be paid — a small cash wage plus large fringe benefits is permitted. Keep in mind that the IRS may closely scrutinize the spousal employee arrangement to ensure the employment is legitimate.

5) Determine Reasonable Compensation

Employees are entitled to compensation for duties performed. This compensation may be paid in a combination of cash wages and benefits (e.g., health insurance, medical reimbursement, etc.). It is important that the employee's total compensation (wages including any commodity wages and benefits) be reasonable for the duties being performed. Reasonable compensation largely depends upon the facts and circumstances of each specific employment situation, and several factors should be considered when establishing the compensation package. These include, but are not limited to: the employee's qualifications, experience, and availability; nature and extent of work; complexity of the business; and prevailing economic conditions.

Use the *Reasonable Compensation Worksheet* found in the back of this Manual to help determine the compensation level for your employee.

6) Keep a Time Log of Hours

(See *Forms* at the back of this Manual)

Hours worked by the employee should be tracked, regardless of whether the employee is salaried or paid hourly. This should be done consistently for all employees, whether related or not. The format may be a time sheet, a calendar, or a variation thereof. And while salaried employees typically do not track hours we strongly recommend doing so for family employees. If the employee has several major areas of responsibility, it may be necessary to specify the number of hours spent performing each type of task.

7) Pay a W-2 Wage

In most employment situations, an employee is compensated mostly in the form of wages, with a smaller portion provided in the form of benefits. A spousal employee is usually enrolled in BizPlan in order for the family to deduct the expense of the employee's benefits. While the IRS is not specific about this issue with 105 Plans, a 10th Circuit Court ruling stated that no minimum wage must be paid — a small cash

wage plus large fringe benefits is permitted. **Keep in mind** that the IRS may closely scrutinize the spousal employee arrangement to ensure the employment is legitimate. Regular monthly or quarterly payments are recommended. Regardless of how your wage/benefit ratio is set up, the total compensation amount **MUST** be reasonable given the hours worked and duties performed.

W-2 wages must be paid from the business/farm account and cashed or deposited into the employee's personal or family account. **Please note:** insurance premiums and medical expenses not covered by insurance should be paid from the employee's account and reimbursed by the employer from the farm/business account.

8) File Appropriate Payroll Taxes

Cash compensation is subject to the appropriate payroll withholdings, including timely tax deposits.

An employer will be required to complete and submit all appropriate forms and taxes (See page 11).

9) Reimburse Medical Expenses

The employer **MUST** reimburse each employee by transferring funds from the business account to a personal account set up by the employee. This can be done in one of two ways:

a) TASC Card - BizPlan provides a free debit card to the employee, which allows the employee to use that Card to pay for all medical expenses (with the exception of insurance premium payments). The Card is smart enough to distinguish between medically-eligible expenses versus non-eligible items. TASC will front the money for that expense at the time of purchase and then draw funds from the employer's business account within a week of the purchase. It's how the Plan works! (See page 10)

b) Manual reimbursement – The employer reimburses an employee's medical expenses by writing a check or depositing funds into the employee's account. This method of reimbursement will require you to report these expenses at year end.

10) Submit Expenses/Get a Year-End Report

A critical step of your Plan administration is to reimburse expenses that were incurred by your employees during the Plan year, submit those expenses to TASC for adjudication or review, and receive a *Year-End Report* to give to your tax professional. This Report provides the total allowed deduction, which you will need for your *Profit and Loss Statement*.

Submit Expenses Online – the fastest, easiest way to submit your expenses and get your *Year-End Report* is through the MyTASC online website. There's no need to wait until tax season to enter and review your expenses. You can login to your own personal account and enter expenses year-round at www.tasconline.com.

After you have finished entering all of your medical expenses for the year, requesting your *Year-End Report* is as easy as the click of a button. Your expenses will be compared against a list of eligible expenses, and if your expenses are approved, you'll be able to print a PDF *Year-End Report* immediately!

If any of your submitted expenses raise a question, your *Year-End Report* will take another three to five business days for manual review. After these expenses have been manually reviewed and approved, you will receive an e-mail with a link to log back into MyTASC and download your report. (See page 25 for more information on our online web tools.)

Transmittal Worksheet – There are three methods of submitting your expenses via a *Transmittal* worksheet. All will result in a *Year-End Report*.

1) If you prefer that we send you a hard copy of a personalized *Transmittal* worksheet in the mail, please submit a *MyService Request* online OR call us toll-free at 800.422.4661, Monday through Friday, 8:00 a.m. - 5:00 p.m. (all time zones). Please have your 12-digit MyTASC ID available so we can help you as quickly as possible. There is no need to call us every year. Once we know that you prefer a *Paper Transmittal* we will automatically send you this in the mail each December.

2) If you would like to download and complete a paper *Transmittal* of your expenses, click on *Year-End Report* from the MyTASC home page or the *Year-End Report* tab. Then simply click on the Paper *Transmittal* link to open and print a PDF *Transmittal* worksheet. Complete the form and mail to TASC.

3) There is also a blank *Transmittal* worksheet in the back of this Manual that can be completed and mailed to TASC. This method will take longer for us to process and get your *Year-End Report* in the mail. Typically turn-around is 10 business days.

11) Renew your Plan

BizPlan is an employee benefit Plan that must be operated on a pre-planned basis. BizPlan Clients must renew and pre-pay their Plan each year, before the new Plan Year begins (or request annual or quarterly electronic payment). Doing so ensures compliance with Period of Coverage regulations.



Changes That Require a New Plan ID

If your business changes its name or tax filing status during a Plan Year, you will be required to re-enroll under a new Plan ID. Please contact TASC ASAP.

Regardless of when you initially enrolled during the previous year, you will receive renewal information in the mail each November. This includes your Savings Statement, Invoice for the next Plan Year, and a Paper *Transmittal* worksheet or an e-mail reminding you to submit your expenses and download your *Year-End Report*.

Before renewing, it is vital that you carefully review your Plan, taking special notice of your Employment Agreement and the total compensation package provided to your employee(s).

Notify TASC of any changes/updates to your Plan. Fill out a *BizPlan Plan Election Change Form* (See *Forms* in the back of this Manual) or call our Customer Care Center to talk to a Representative who can help you make these changes. **Please note:** Benefit changes are permitted only during renewal (See page 8).

You can review your Plan elections by logging into your MyTASC account on our website (www.tasconline.com) at any time during the year.

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Changing Benefit Elections and Eligibility

Changing Benefit Elections and Eligibility

You can change your benefit elections at the start of each Plan Year. In order to determine the true dollar value of benefits, your employee's total compensation needs to be taken into account. The dollar amount of all the benefits selected, plus the W-2 wage equals the total compensation for a qualified employee on the Plan. As we stated in the One Employee Plan section of this Manual, this total compensation needs to be reasonable for the duties, hours worked, line of business, and part of the country in which the business or farm resides. Part of the review process every year is to ensure that the total compensation package remains reasonable, while at the same time providing the maximum savings possible.



The time frame to make changes to your Plan is January 1 – April 30. Plan election changes will be updated in our system after your *Year-End Report* is processed or after the April 30 deadline for submission.

When reviewing your Plan, also consider the following:

Benefit Eligible Employees

The renewal process allows you the opportunity to change and/or modify your eligibility requirements. This process will allow you to legitimately exclude other employees from your Plan. To be eligible and listed on the Plan, all eligibility requirements established for the Plan must have been met by an employee by December 31 of the previous Plan year. All of your employees who are eligible at the first of the year must be listed on the Plan (even if their medical expenses/insurance needs are met another way). Eligible employees cannot be removed from the Plan list. Here are some eligibility requirements to consider:

- You can set your Plan to exclude part-time employees who do NOT complete a designated number of hours. You can set this requirement at as many hours as you wish up to 25 hours of work per week. This means the employee needs to work a minimum of 25 hours per week (averaged on the basis of 52 weeks/year) in order to be eligible for the Plan.
- You can exclude seasonal employees who do NOT complete up to seven months of work within a year.
- You can exclude employees who are under a certain age. The age limit can be established only up to a maximum of age 25. This means that to be eligible the employee must be age 25 or older on January 1st of the start of the Plan year.
- You can require current employees to complete a designated number of service months before they are eligible for the Plan. The maximum number of months you can exclude an employee is 36.
- You can exclude probationary employees as well. With a maximum of 36 months, this exclusion applies to any new employee who is hired after Plan start. This is actually a waiting period before a new employee becomes eligible for the benefits offered through the Plan. New employees will qualify for the Plan at the next Plan entry date, January 1 of the following Plan year.

Safe Harbor Rule — Under Regulation 1.105-11(c) (2) (iii) (C), that “Employees whose customary weekly employment is less than 35 hours, if other employees in similar work with the same employer have substantially more hours, are considered part-time. Employees whose customary annual employment is less than nine months, if other employees in similar work with the same employer have substantially more months, are considered seasonal. Notwithstanding these rules, a safe harbor permits an employer to treat employees whose customary employment is less than 25 hours a week or seven months a year as part-time or seasonal employees.”

Changes in Filing Status

If your business is changing filing status, you need to inform TASC of these changes as soon as possible as this will require a new Plan.

Confirmation of Change

TASC will send a confirmation e-mail with instruction to download, update and distribute your Plan Description or Summary Plan Description (dependent upon number of employees). This will occur after Transmittal submission or April 30th of the current Plan Year. A copy will be mailed upon request or if no e-mail or internet access exists.

Refund Policy

TASC will withhold a \$25 processing fee (from the refund amount) if the refund was requested after 30 days from the processing paid date. TASC reserves the right to withhold the fee to cover compliance review or cancellation of your BizPlan. This policy will not affect first year Clients.

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Additional Features

TASC Card

The TASC Card allows you to pay for your out-of-pocket medical expenses with the swipe of a debit card. It's how your Plan works!



The TASC Card streamlines reimbursement of medical expenses, validates eligible expenses, and pre-fills your medical expenses on your **Year-End Report** taking work off your shoulders

and ensuring the compliance of your Plan! The TASC Card is the only one of its kind — no other administrator offers this feature for an HRA Plan! And, it's provided by TASC at no cost to you or your employee. The TASC Card is not a credit card and you will not be charged any fees, finance charges or interest.

It eliminates writing checks to both the merchant and to your employee and makes capturing small expenses easy, which will help you avoid missed expenses and save you money.

TASC Card Management

The TASC Card is available to your employee(s) and their dependent(s) — in most cases, your spouse is the employee and you are the dependent. If you did not elect the TASC Card during enrollment, simply fill out the **TASC Card Enrollment Form** at the back of this Manual and return it via mail or fax.

Named cardholders will normally receive their Card and detailed instructions on its use within 10-14 business days. The Card(s) are mailed in a plain white envelope directly to the home address of each named cardholder.

How Does it Work?

- 1) Your employee or employee's dependent uses the TASC Card to pay for an eligible out-of-pocket medical expense.
- 2) TASC fronts the initial payment to a merchant for any charges made with the TASC Card (up to an available balance limit of \$2,500). In the event that a charge exceeding \$2,500 is anticipated, your employee or dependent may request a temporary limit increase up to \$3,500 by calling TASC at 800.422.4661.

TASC Card Advantages

- **Qualifies and pays eligible medical expenses on the spot.**
- **Eliminates the need to submit receipts for reimbursement.**
- **Automatically populates your *Year-End Report*.**
- **Eliminates writing checks for medical reimbursement to your spouse or employee.**

- 3) TASC will send you an advance-notice e-mail notifying you that a charge has been incurred and that TASC will be taking the funds to cover this reimbursement from your business bank account over the next few business days.
- 4) Once you have refunded TASC for these medical expenses, your TASC Card available balance will return to \$2,500 (unless the benefit balance remaining on your Plan is below this amount). This process normally takes at least eight business days.

Throughout the year you may view a list of all TASC Card transactions simply by accessing your Online Statement. Updated after each purchase with the Card, the Statement will be available to you 24/7 in your MyTASC account on the BizPlan Client website (www.tasconline.com).

Important

Your Plan renews at the start of each calendar year. Unfortunately, your TASC Card will be placed on temporary hold if your BizPlan Invoice is not paid by year-end.

If a TASC Card is lost or stolen, you or the cardholder must notify BizPlan immediately at 800.422.4661. Failure to report a lost or stolen Card may jeopardize reimbursements for eligible expenses.

Important Tax Forms

The SS-4, W-4 and I-9 forms must be filed when hiring an employee. Additional forms are required for payroll reporting. Your state may have additional requirements. To obtain actual forms for filing or if you have questions, please contact your tax professional.

SS-4 Form

This is an application for a Federal Employer Identification Number or EIN. You must apply for this identification once you become an employer. This form is filed only once and there is no charge for filing.

If you do not have a Federal Employer Identification Number and have not applied for one, download a SS-4 form from www.irs.gov.

This is the only tax form that is supplied by TASC; send it to the appropriate federal office, not back to TASC.

W-4 Form

You must obtain a W-4 form from each employee to verify employee withholding.

Once completed, this form remains in the employer's file.

I-9 Form

An I-9 form is an Employment Eligibility Verification form.

This should be completed and kept on file for each employee.

720 Form[#]

The PCORI fee will need to be recorded on IRS Form 720 and paid by July 31st of the calendar year immediately following the last day of the Plan year for years 2012-2019.

Wage Payment and Other Tax Reporting Forms

Unless otherwise stated, these forms must be prepared and filed by January 31.

- W-2 Form** Reports the wages earned by the employee and is attached to the Year-End tax filing submitted to the Internal Revenue Service.
- W-3 Form** Verifies the Social Security contribution along with the W-2. Send this form to the Social Security office, not the Internal Revenue Service. (Must be filed by March 31.)
- 940 Form** Reports federal unemployment tax. This tax is not required for spousal employees or, in general, for agricultural labor.
- 941 Form** Submitted by BizPlan Clients who are required to report employee tax withholdings on a quarterly basis and whose estimated employee taxable wages exceed \$6,000* annually.
- 943 Form** If you are an AgriPlan Client you must file a 943 form to report employee tax withholdings. This form must be filed by January 31.
- 944 Form** Submitted by BizPlan Clients whose estimated employee taxable wages are less than \$1,800* annually.
-
- 720 Form** Small fee collected to help fund the Patient-Centered Outreach Institute (PCORI) for Plan years 2012-2019. This form must be filed by July 31. **#Only applicable to Multi-Employee HRA with Group Insurance Plans.** (See page 29 *Healthcare Reform Changes*)



Tax Filing Forms

Schedule F (Farming)

This form is for reporting the amount of deductions taken under AgriPlan.

Schedule C (Business)

This form is for reporting the amount of deductions taken under BizPlan.

Also, if applicable:

- Partnerships
Form 1065
- C-Corporations
Form 1120
- S-Corporations
Form 1120S
- Non-Profits
Form 990

Adult Child Tracker Service

The Affordable Care Act (ACA) mandated that adult children could stay on their parents' health insurance policies through the tax year they turn 26. The Notice also provided for the favorable tax treatment of medical expenses of an employee's adult children within a medical Health Reimbursement Arrangement (HRA).

As a result, the BizPlan Plan Documents allow for the reimbursement of out-of-pocket medical expenses of adult children.

Some states even extend these benefits beyond the federal age limit of 26. But how do you know whose expenses can be deducted through your BizPlan? With TASC's innovative and FREE Adult Child Tracker Service, which will track and notify you of eligible children on your Plan.

To use the Adult Child Tracker Service, have your spouse/employee fill out information for children under the age of 26 on the *Adult Child Tracker Enrollment Form* (See *Forms* at the back of this Manual). Return it to TASC via mail or fax 608.245.3623. We will send you an annual e-mail notification of all adult children that remain eligible under your Plan, along with information on any regulation changes. NOTE: you must supply an e-mail address to participate in this service.

If you have multiple, non-family member employees, you may not wish to reimburse their adult children's out-of-pocket medical expenses through your Plan. To opt out of reimbursing these additional expenses, check the Opt-Out box and return the *Adult Child Tracker Opt-Out Form* (See *Forms* at the back of this Manual). Return the form to TASC via mail or fax 608.245.3623.

Microbusiness Compliance Suite

As stated on Page 4 of this Manual, **One Employee Plans are exempt from the Affordable Care Act regulations.**

Employers with more than one employee have more rules and regulations created by the Affordable Care Act (**ACA**), the Employee Retirement Income Security Act (**ERISA**), and the Health Insurance Portability and Accountability Act (**HIPAA**). (See Page 28 Multi-Employee Plans.)

TASC has condensed ERISA and ACA notices and language into a simplified easy-to-understand *ERISA Compliance Feature Pack* to distribute to your employees. You can download, complete and distribute copies of the Notices to your Plan Participants from www.tasconline.com/microbusiness-service-offerings.

If you sponsor Group insurance or any Group-sponsored health and welfare benefit, your ERISA and ACA reporting requirements are much more stringent and go beyond the information contained within the ERISA Compliance Feature Pack.

TASC can help you meet these additional requirements and avoid hefty Department of Labor penalties and fines with its *Microbusiness Compliance Suite*. If elected, these services will incur an additional fee. Please contact your TASC Provider or Regional Sales Director; or contact a Microbusiness Specialist at 888.595.2261 extension 17732 to learn more.

TASC's *Microbusiness Compliance Suite* makes it easy to manage your employee benefits program for 2-20 employees and lets you focus on what you do best: run your business.

We've got your back with this bundled service offering. Not only does it provide you with the necessary information and Notices, it's less expensive than if you were to purchase each service separately:

- ERISA Compliance
- HIPAA Compliance
- Healthcare Reform Notices

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How BizPlan Works

How BizPlan Works

Simple. Successful. Guaranteed. As a third-party administrator, TASC manages the administrative system required by law so you can take advantage of these deductions.

We make sure your Plan meets the documentation and compliance requirements established by the Affordable Care Act (ACA), the Internal Revenue Service (IRS), the Department of Labor (DOL), and the Employee Retirement Income Security Act (ERISA) where applicable. TASC will keep your Plan updated and within the guidelines of changing regulations.

The BizPlan administrative system operates under the guidance of IRS Revenue Ruling 71-588, Letter Ruling 9409006, and several sections of the Internal Revenue Code including, but not limited to, Sections 105, 162, and 213.

As the employer, you must complete the following steps to implement the Plan and to ensure its compliance with all federal regulations:



Keep Your Plan Compliant

Please review the following information carefully; it takes you through the steps necessary to operate your Plan properly.

- Establish an Employment Agreement in writing and distribute to all eligible employees.
- Keep a time log of hours worked for each employee.
- Pay a W-2 wage to the employee(s).
- Reimburse medical expenses to the employee(s).
- File the appropriate tax forms and remit taxes. (See page 11).

Who Qualifies?

The following is a detailed look at the specific features and benefits of implementing a Section 105 Medical Reimbursement Plan, as determined by the tax filing status of the particular entity selecting the Plan. It includes Sole Proprietorships, Partnerships, Non-Profits, and Corporations, both S and C.

Sole Proprietorship

The self-employed business owner cannot participate directly in the Plan; to qualify, the spouse must be active in the business. With BizPlan, a self-employed person may deduct 100% of his/her health insurance premiums and all medical expenses on his/her federal and state income tax as well as Social Security and

Medicare. Any non-related employees may receive the benefits offered by the Plan if they meet the eligibility requirements of the Plan.

Partnership

A Partnership operates similarly to a Sole Proprietorship. The partners cannot participate directly, but they may employ a spouse who is able to receive the benefits. It is not necessary for each partner to have an employed spouse in the business for the Partnership to qualify. Of course, only those partners who have spouses active in the business will realize the full benefit.

C-Corporation

C-Corporations can qualify for the Plan without spousal employment. The owners/shareholders are considered employees if they are active in the business and they can realize the benefits of BizPlan on a completely tax-free basis. The business pays for the medical expenses and accounts for it as a business expense. The employee is not taxed on those reimbursements.

Limited Liability Company/Partnership

Treatment of these entities will depend on how the business files for purposes of their federal income tax return. If they file as a Partnership, the appropriate Partnership rules apply. If they file as a Corporation, the appropriate Corporation rules apply. Some may even file as a Sole Proprietor.



Restrictions apply to any S-Corporation shareholder owning more than two percent. Family members (including children and spouses) who do not have ownership are treated as if they did. Thus, they are not able to receive the benefits on a completely tax-free basis.

S-Corporation

S-Corporations can qualify for the Plan without spousal employment; the owners/shareholders are considered employees if they are active in the business. **Restrictions apply to any shareholder owning more than two percent:** they will be unable to receive medical benefits on a completely tax-free basis. The business may pay the benefits on behalf of the employee, however, the employee must treat the payments as taxable income. **These benefits are subject to state and federal income tax, but are not subject to FICA taxes.** Family members who do not have ownership are treated as if they did. Thus, they are not able to receive the benefits on a completely tax-free basis. (These benefits will not be subject to FICA taxes.)

Non-Profit

Non-Profit groups typically lack group benefit plans and add compensation to employees' pay to cover personal benefits. A church is a good example. By implementing a BizPlan, a church can reimburse a pastor for benefits of his or her choice and the benefits will be tax-free.

If you have questions regarding the filing status of your business, consult your tax professional or the BizPlan Customer Care Center.

Benefits

In addition to a cash wage, your employee compensation includes reimbursement of your employee's family healthcare expenses. You selected particular benefits and set dollar amount maximums during your enrollment in BizPlan. Reimbursable expenses, like the ones listed here, are effective the first day of the month you begin your BizPlan. Your insurance premiums, however, can be reimbursed back to the beginning of the calendar year. Employees receive the following reimbursable benefits: and employers can, in turn, deduct these benefits on their business tax forms Schedule C, E, 1065, 1120, and 1120S:

- Health insurance premiums (including qualified long-term care insurance and cancer insurance).
- Dental insurance premiums.
- Non-insured out-of-pocket medical expenses—One Employee HRA Plans must have a maximum dollar amount that is pre-established.
- Non-insured out-of-pocket medical expenses—No Limit Plan. All insurance premiums and unlimited out-of-pocket medical expenses are eligible to be reimbursed through a No Limit Plan.
- Term life insurance (employee only, no dependents of employee. \$50,000 maximum).
- Disability insurance (employee only, no dependents of employee).



Business Processing Event Timeline

	Event Title	Timing	Responsibility
New Business	1. Submit application with fees.	Varies*	Provider/Inside Sales
	2. TASC receives application reviews and enters new account.	1 + days (if clean application)	TASC
	3. Verify and generate e-mail or mailing label.	1 + days	TASC
New Client Welcome	4. E-Mail or mail Welcome Letter and ID to Clients.	3 to 5 days	TASC
	5. Delivery of Client Administration Manual via e-mail or mail.	Varies*	PDF or Post Office
	6. Plan Description, Summary Plan Description and Summary of Benefits & Coverage available for download (where applicable.)	3 to 5 days after Plan Start Date	TASC and Client
Training Webcast	7. New Clients contacted via e-mail or mail and invited to attend a webcast to review Plan administration requirements.	Varies*	TASC
Transmittals/ Year-End Report	1. E-mail reminder to Client to submit expenses and download Year-End Report	November/December	TASC
	2. Client submits expenses to TASC via online tools or paper Transmittal worksheet	Beginning of calendar year for prior year's medical expenses	Client
	3. Client downloads Year-End Report	upon submission	TASC
	4. Mailed Transmittal received at TASC.	1 + days	TASC
	5. Scanned Transmittal received at TASC.	1 - 3 days	TASC
	6. Match faxed Transmittal received at TASC.	1 + days	TASC
	7. Scan faxed Transmittal received at TASC.	upon submission	TASC
	8. Adjudication of non-clean Transmittal.	3 - 5 business days	TASC
	9. Year-End Report printed and mailed.	Varies*	TASC
	10. Delivery of Year-End Report	Varies*	PDF or Post Office
Plan Election Changes	1. Plan Election Change Form is submitted to TASC	Typically January-April	Client
	2. Client call TASC with Plan changes.	Varies*	Client
	3. Date Entry of Plan Election changes (after April 30th)	Varies*	TASC
	4. New Plan Description, Summary Plan Description and Summary of Benefits & Coverage available for download (where applicable.)	1 - 2 days after change entry	TASC
Renewals	1. Renewal invoice sent to Client	mid-November	TASC and Post Office
	2. Statement of unpaid invoice sent to Client	mid-December	TASC and Post Office
	3. Statement sent to Client with late service fee.	mid-January	TASC and Post Office
	4. Processing of invoices and statement.	Varies*	TASC
	5. Call program begins	January through mass cancellation date.	TASC
	6. Mass cancellation of unpaid Plans	May	TASC

*Varies = TASC is unable to pinpoint the number of days in the cycle this event will require as the responsibility for this event is beyond TASC's control.



Guide to Deductible Expenses

Your health, dental and term life and disability for your employee insurance premiums, medical out-of-pocket expenses paid for the diagnosis, cure, mitigation, treatment or prevention of disease, and/or for treatments affecting any part or function of the body are eligible expenses under your Plan. **The following is a partial list of expenses that may be reimbursed through BizPlan:**

Acupuncture	Guide dog or other service animal	Physical exams
Alcoholism and drug abuse treatment	Gynecologist fees	Physical therapy
Ambulance	Hearing aids, batteries, and required repairs (warranties are not reimbursable)	Pregnancy & fertility kits
Artificial limbs and teeth	Heating pads	Prescription eye glasses
Automobile modification, if for a physically handicapped person	Home care	Preventative care screenings
Bandages & first aid dressings	Hormone replacement therapy	Prosthesis
Birth control products	Hospital services	Psychiatric care
Blood pressure monitoring devices	Immunizations	Psychoanalysis
Blood sugar test kit/strips	Incontinence products	Psychologist
Body scan	Insulin	Radial keratotomy
Braille books and magazines	Laboratory fees	Retin-A, must be used to treat a medical condition
Breast pumps and supplies that assist lactation	Lamaze classes	Screening tests
Breast reconstruction surgery following mastectomy	Laser eye surgery, lasik	Seeing eye dog and costs incurred in maintaining the animal's health
Canes & walkers	Learning disability, instructional fees	Sleep deprivation treatment
Carpal tunnel wrists supports	Lead paint removal	Splints, supports & braces
Chelation therapy	Lodging, provided at a hospital or institution at which the patient is receiving medical care	Sterilization procedures
Chiropractors	Meals, provided at a hospital or institution at which the patient is receiving medical care	Sunglasses, if they are prescription
Circumcision	Medical alert bracelet/necklace	Therapy
Condoms	Medical monitoring and testing devices	Thermometers
Contact lenses, materials and supplies	Medicines	Transplants
Crutches	Nebulizers	Transportation expenses to receive medical care
Dental services	Norplant insertion or removal	Ultrasound, prenatal
Dentures and adhesives	Nose strips	Vaccines
Diabetic supplies	Nursing home	Vasectomy
Drug addiction, treatment at a therapeutic center	Nursing services	Vasectomy, reversal
Drugs, prescribed	Operations	Vision correction procedures
Durable medical equipment	Optometrist	Walkers
Egg donor fees	Organ donors	Weight-loss program, if treatment for a specific disease
Eye glasses, with prescription	Orthopedic aids	Wheelchair
Eye surgery	Osteopath fees	Wig, if upon advice from physician for the mental health of patient
Fertility enhancement	Ovulation monitor	X-Ray fees
Flu shot	Oxygen	



More Ways to Save

The Patient Protection and Affordable Care Act amended previous definitions of which healthcare expenses are eligible for tax-advantaged benefit plans. While all medically necessary medicines continue to be eligible, some items may require additional substantiation, such as a prescription or *OTC Prescription Order Form* (See *Forms* at the back of this Manual) signed by your medical practitioner. **Here is a partial list of medical items that will require additional substantiation to be eligible through AgriPlan and BizPlan:**

Acne prevention and treatment
Allergy prevention and treatment
Antacids and acid reducers
Anti-candidal
Anti-histamines
Anti-diarrheal and laxatives
Anti-fungal
Anti-itch lotions and creams
Asthma

Cold sore/fever blister
Cosmetic surgery
Cough suppressants

Decongestant/nasal decongestant and cold remedies
Dental care and mouthwashes
Diaper rash ointments

Electrolysis
Eye drops for allergy/cold relief

Feminine hygiene
Fiber supplements

Hair loss treatments, transplants
Hemorrhoid treatments
Herbal supplements

Migraine medication
Medicated shampoo
Menstrual cycle medications
Motion sickness medication

Nicotine gum, patches, or other smoking cessation
Nutritional supplements

Pain relief
Pediculicide (head lice)
Poison ivy protection

Snoring cessation aids and medications
Sunscreen and sunblock

Teeth whitening
Toothache and teething pain relievers

Vitamins

Wart removal medications
Weight loss, dietary supplements



For a more complete list of eligible expenses, visit www.tascmicrobusinessnews.com

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TASC Has You Covered!

Audit Guarantee

TASC has a variety of features that come bundled with BizPlan that serve to protect you and keep you in compliance with IRS, ACA, DOL, and ERISA guidelines (where applicable).

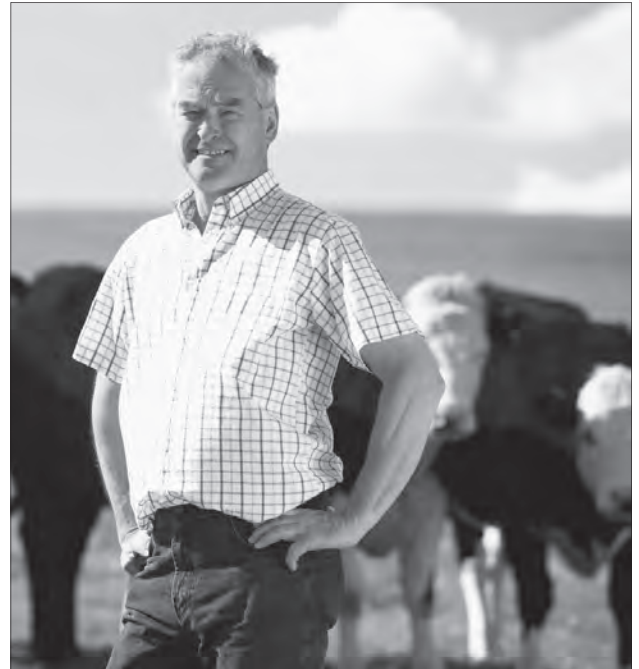
Audit Guarantee

A Section 105 Medical Reimbursement Plan must be maintained in strict compliance with the Internal Revenue Code. By enrolling in our Plan and adhering to proper Plan procedures, AgriPlan, BizPlan and No Limit Plan Clients can be assured that their Plan meets all the requirements of the Internal Revenue Service.

We feel so certain of this compliance, that your Plan is protected by TASC's industry-exclusive Audit Guarantee. In the unlikely event you are audited, TASC will defend you in court and assume financial responsibility for any penalty and/or interest as it pertains to your Plan.

Our guarantee is as follows: TASC will support and assist any enrolled Client with an employee benefit deduction who has adhered to our Plan procedures and parameters. If challenged by the Internal Revenue Service, TASC will provide:

- Plan Documentation (upon request)
- Evidence of Plan implementation
- Evidence of Plan communications
- Records of expense adjudication
- Written and verbal communication regarding Plan
- All other tangential information pertaining to Plan



TASC Stands Up for Small Business

A Tenth Circuit Court ruling strongly supports the tax savings provided to Sole Proprietors through Section 105 Medical Reimbursement Plans. Critical to the court's favorable ruling was close adherence to the procedures prescribed by TASC's AgriPlan and BizPlan:

TASC helped a Kansas farm couple who had their Section 105 Plan audited by the Internal Revenue Service (IRS). TASC provided legal and financial assistance for the Client and was able to prove that their adherence to the company's AgriPlan program had kept them in compliance with all Section 105 Plan regulations. A three-member judicial panel of the Tenth Circuit Court of Appeals unanimously reversed Tax Court decisions that affected the couple's medical expense deductions. This defense didn't cost the Client a dime and they saved over \$10,000 in medical expenses for the two tax years that were in question.

To Qualify

Based on facts and circumstances, TASC reserves the right to limit its assistance or support. A Client must be able to demonstrate:

- Compensation (cash and benefits) is reasonable based on employee duties and hours worked.
- Regular and consistent payment of cash wages.
- Log of hours worked and specification of hours worked in the Written Employment Agreement.

If Client has adhered to all procedures set forth by BizPlan, TASC will assume financial responsibility for any penalty and/or interest resulting from an audit as it pertains to AgriPlan, BizPlan and No Limit Plans. It is critical that enrolled Clients adhere to all outlined procedures in order to successfully maintain the deduction.

Plan Parameters

The Audit Guarantee applies to all Plan parameters that are specified by TASC in writing. These parameters include, but are not limited to, those outlined in the Plan Application, Expense Transmittal, and Plan Document.

Exclusions

The TASC Audit Guarantee does not apply to an employer's election of parameters outside the scope specified by the Plan. Our Audit Guarantee assumes that the employer acts as the Plan Administrator or Plan Sponsor, working within our parameters, and that BizPlan is the Administrating Agent of the Plan as assigned by the employer. In instances when the employer acts outside Plan parameters, TASC will not be at fault for any decisions made by the employer. Decisions that meet the above criteria include but are not limited to: classing of employees or failure to distribute the Summary Plan Description (where applicable). These parameters are the sole responsibility of the employer who made the decision(s) independent of BizPlan and its representatives.

General Coverage

The Audit Guarantee covers the company, its officers, stockholders, and employees. Independent contractors are not covered under the guarantee.

Taxes

The Audit Guarantee does not cover any taxes that



may be imposed as the result of an audit, i.e., a tax adjustment relating to an eligible expense. This tax would have been due by the individual or company prior to the Plan services of BizPlan making a determination of the expenses' deductibility under the Plan.

Legal Costs

Legal costs and other service costs related to the defense of BizPlan with either the Internal Revenue Service or the Department of Labor are covered under the Audit Guarantee as long as all parameters are in line with written BizPlan policy. Legal or other services beyond those provided by BizPlan and BizPlan's legal representatives are the full responsibility of the employer. BizPlan assumes the right to limit its assistance or support without limiting its responsibility for any penalty and/or interest charged as a result of an audit.

Reporting

BizPlan is not responsible for the preparation or reporting of wage or benefits on the W-2 or W-3 Form or for any other employee income reporting document required by the Internal Revenue Service, the Department of Labor, or any other entity.

Guarantee Coverage Period

The Audit Guarantee covers only the period during which the employer is enrolled in BizPlan and only aspects that relate to BizPlan's parameters and actions.

Audit Guarantee Coverage Limits

The Audit Guarantee does not cover non-compliance resulting from the actions of the employer, the Administrator, or any Administrating Agent apart from BizPlan that occurred before, during or after the period of services to the employer.

Deduction Guarantee

As an AgriPlan, BizPlan or No Limit Plan Client, this guarantee entitles you to a 100% refund of your enrollment fee if during any Plan Year your participation in your Plan fails to result in tax deductions of at least \$2,000. The tax deduction guarantee is applicable to all business types (i.e., Sole Proprietor, C-Corporation, Partnership, LLC, etc.) **with the exception of S-Corporations.**

Rules and Guidelines

The refund may be applied to any future fees. To receive the refund, your tax professional or TASC Provider must substantiate that your participation did not create a tax deduction of at least \$2,000 and share this information with TASC.

For verification, BizPlan reserves the right to request a copy of your tax return at any time prior to the refund of the enrollment fee.

For more information contact TASC directly (at 800.422.4661) or log onto MyTASC and submit a Service Request.



TASC will refund your administration fee if you are unable to deduct at least \$2,000 during a Plan Year.

Carry Over Feature

The Carry Over feature allows unused medical reimbursement funds to Carry Over to the next Plan Year. This feature will protect your employee and his or her family in a year where they might incur unforeseen medical expenses.

Carry Over Election

The total amount that can Carry Over in one Plan Year.

Carry Over Maximum

Your Plan default is set to a Carry Over maximum of \$5,000 for each eligible employee. There is no need for you to do anything unless you would like to opt-out of this Plan feature or change the dollar amount of the Carry Over Maximum by completing and submitting the *BizPlan Plan Election Change Form* found at the back of this Manual.

This maximum does not reset each year. The maximum is set per Plan and is set at the time of the Plan Application or by submitting a *BizPlan Election Change Form*. Other Carry Over definitions are as follows:

Carry Over Balance

This is the dollar amount that a Participant has available in their Carry Over account. The balance of the Carry Over is the available funds per participating employee for reimbursement of medical expenses in addition to that Plan Year (Period of Coverage) medical expense reimbursement maximum. The Carry Over balance is equal to:

$$\begin{array}{l} \text{Previous year carryover balance} \\ + \text{ Current year medical expense reimbursement maximum} \\ - \text{ Current year medical expenses reimbursed} \\ \hline \text{Carry Over balance} \end{array}$$

Balance amount will vary based on each employee's medical expenses and fluctuate on a year-by-year basis. See example below:

Plan Year		Plan Year 2	
OOP Maximum	\$5,000	OOP Maximum	\$5,000
Used OOP	<u>-\$2,500</u>	Carry Over Balance	<u>+\$2,500</u>
	\$2,500	Available	\$7,500

Unemployment and Worker's Compensation Guidelines



Exempt

Employed spouses are EXEMPT from Unemployment Compensation and Worker's Compensation in most states. The low threshold of wages are another factor that contribute to an exempt status from Unemployment and Worker's Compensation. Individual circumstances may affect this. If you have a concern as to your exempt status, you are encouraged to contact your state Department of Labor office. A contact list of state offices can be found at:

<http://workforcesecurity.doleta.gov/unemploy/agencies.asp>

Confidentially Speaking

What is "Confidentially Speaking"?

The Confidentially Speaking Reporting Program guarantees that TASC employees, customers, and vendors can safely and anonymously communicate with management regarding sensitive information. We respect and value your opinions, and hope you will feel comfortable using this program to communicate serious problems or concerns.

Confidentially Speaking is administered by Navex Global, an independent organization that is contractually forbidden to disclose your personal information to TASC (unless you give them permission).

How does it work?

If you have knowledge about the occurrence of unethical activity, promptly report the situation to a Confidentially Speaking representative via website or phone:

www.tasc.alertline.com
877.874.8416



Online Tools



Online Tools

Ready to simplify your Plan administration? Our user-friendly online tools can save you time and money, help ensure your compliance with ever-changing rules and regulations, and protect your more than \$5,500 a year average tax savings (and maybe even increase them!).

Simplify Your Plan Administration

From www.tasconline.com, click MyTASC login in the right corner of the page. At the *MyTASC Login*, enter your 12-digit MyTASC ID as your username (Reference TASC documents for your MyTASC ID) and your password. Click on the *Forgot Your Password* link if you don't remember your password and you will be sent an e-mail that will allow you to reset your password. You will be prompted to create a new password. A user-friendly login assistance link is available if you need additional help.

The MyTASC website enhances your ability to take advantage of the BizPlan tax savings. You are already required to do the work. Why not make it easier and faster?

The MyTASC website gives you the ability to submit and review expenses, manage bank account information, request and print reports, submit a service request, view Plan details and more—all from the convenience of your computer.

Online Expense Features

There's no need to wait until tax season to enter and review your expenses. With MyTASC and our online tools you can manage expense information year-round.

Note: There is no need to enter medical expenses that have been paid for with your TASC Card — they have already been accounted for.

Manage Bank Account Information

The Bank Accounts feature is utilized to keep track of bank accounts related to your TASC Cards and direct reimbursements to your employee(s). This feature will allow you to enter and keep current both business and personal bank account information.

Print a Year-End Report

Receive your *Year-End Report* as soon as you've finished submitting all of your medical expenses for the year. When you click on the *Create Year End Report* button, your expenses will be compared against a list of eligible expenses. If your expenses are approved, you'll be able to print a PDF document immediately.

If any of your submitted medical expenses raise a question, your *Year-End Report* will take another three to five business days for manual review. After these expenses have been manually reviewed and approved, you will receive an e-mail with a link to log back into MyTASC and download your report.

Print a Transmittal Worksheet

If you would like to fill out and submit a paper *Transmittal* of your expenses, click on *Year-End Report* from the MyTASC home page or the *Year-End Report* tab. Then simply click on the *Paper Transmittal* link to open and print a PDF *Transmittal* worksheet. Once you've completed the *Transmittal*, mail to TASC.

Or call us toll-free at 800.422.4661 and we will mail you a copy. There is no need to call us each year. Once you have told us that you prefer a *Paper Transmittal*, we will automatically mail you one each December.

Submit a Service Request

When you submit an electronic service request by clicking on the *Contact Us* tab in MyTASC, it is directed to the Customer Care team that can best serve you. This expedites your request and ensures a response that is accurate and thorough. **Note:** your personal health information is kept confidential and secure per HIPAA regulations.

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Invoicing Practices

Invoicing Practices

Advance invoicing ensures that your Plan runs smoothly and efficiently

To ensure that TASC operations continue to run smoothly, various actions need to occur in a timely manner, including the payment of TASC fees.

Advance payment guarantees uninterrupted Plan service and demonstrates that:

- The Plan is for the benefit of your employees.
- The Plan has been established on a pre-thought basis.
- Client status is in good standing.

What To Expect	
Type of Invoice Administration Fee	The invoice for BizPlan is generated annually in mid-November for a pre-determined service period based on the calendar year.
Types of Payment Four Options Available For Payment of Invoice	<ul style="list-style-type: none"> • Annual Electronic Debit Payment • Quarterly Electronic Debit Payment • Check • Credit Card
Client Responsibilities Annual Electronic Payment Quarterly Electronic Payment Check Credit Card	<p>If paying by Annual or Quarterly electronic payment, indicate this and provide the routing and account number on the Invoice and send along with a copy of a voided check to TASC in the provided envelope.</p> <p>After initial submission of the electronic payment option, you will no longer receive an Invoice for future Plan years. Instead you will receive an e-mail notifying you of the annual Administration Fee electronic debit that will occur on an annual or quarterly basis respectively.</p> <p>If paying by check, mail the Invoice and payment to TASC in the provided envelope. IMPORTANT: Be sure to include your Invoice Voucher with your payment!</p> <p>If paying by credit card, either indicate this on the Invoice or call TASC at 800.422.4661. Our Customer Care representatives can take payment directly over the phone. Notify TASC of any disputes or changes that affect the administration fee.</p>
Standard Procedures Invoice Due Date Service Charge Date Statement Follow Up Statements Plan Termination	<p>Generated and sent forty-nine (49) days prior to the Service Period start.</p> <p>Will be fourteen (14) days from the date the invoice was generated.</p> <p>A \$20 late fee will be assessed sixty (60) days from the original invoice date, and the account will be placed on hold if the invoice is not paid by the service charge due date.</p> <p>A Statement (second notice) of unpaid invoices will be mailed fifteen (15) days prior to the start of the Service Period.</p> <p>Additional Statements will be mailed out each month. You will incur a \$20 late fee service charge fifteen (15) days into the Service period (mid-January).</p> <p>The account will be terminated one hundred and four (104) days into the Service Period Start. Letters will be sent to each Client being terminated.</p>



Multi-Employee Plans

Healthcare Reform Changes

If you have a One Employee Plan, you can disregard this entire Section of the Manual! You are exempt from these regulations and they do not apply to you.

The passage of the Affordable Care Act (ACA) offers many rights and protections to employees. Unfortunately, the burden of complying with these changing regulations has been placed on you, the small business owner. A new President and Congress continue attempts to repeal the ACA and healthcare reform regulations continue to change. Don't worry; TASC has you covered! TASC will continue to implement any necessary changes and administrative process updates to comply with changing law.

Employee Retirement Income Security Act (ERISA)

The Employee Retirement Income Security Act (ERISA) is a federal law regulating employer-sponsored benefits. Employers face specific deadlines for disclosing Plan information to eligible employees, and all sponsors who administer ERISA Plans must follow a strict fiduciary code of conduct. Failure to comply with ERISA's requirements and ACA rules can mean costly government penalties and employee lawsuits.

We've got you covered! TASC has condensed ERISA and ACA notices and language into a simplified easy-to-understand *ERISA Compliance Feature Pack* to distribute to your employees. You can download, complete and distribute copies of the Notices to your Plan Participants from www.tasconline.com/microbusiness-service-offerings.

If you sponsor Group insurance or any Group-sponsored health and welfare benefit, your ERISA and ACA reporting requirements are much more stringent and go beyond the information contained within our Feature Pack. TASC can help you meet these additional requirements and avoid hefty Department of Labor penalties and fines with its *Microbusiness Compliance Suite* services. Please contact your TASC Provider or Regional Sales Director; or contact a Microbusiness Specialist at 888.595.2261 extension 17732 for more information.

Summary of Benefits and Coverage

Changing regulations require you to distribute a Summary of your Benefits and Coverage (SBC). The Departments of Treasury, Labor and Health & Human

Services (HHS) now require you to distribute a uniform explanation of coverage or Summary of Benefits and Coverage to Plan participants as part of ACA.

TASC will provide the SBC to you, the employer. You are responsible for distributing an updated *Summary Plan Description* (SPD) and SBC to all of your Plan participants (including your spouse).

Download an electronic copy online at www.tasconline.com/microbusiness-service-offerings.

Patient-Centered Outcomes Research Institute

The Internal Revenue Service published regulations detailing how employers and insurers will calculate a new fee imposed under the ACA. The Patient-Centered Outcomes Research Institute (PCORI) collected fee will help fund the private, non-profit institute that has been created to evaluate the quality and effectiveness of various medicines and treatments and to conduct comparative clinical effectiveness research.

The ACA requires health insurance issuers and sponsors (i.e., the employer) of self-insured health plans to pay fees to help finance the institute's research.

The PCORI fee will need to be recorded on *IRS Form 720* and paid by July 31st of the calendar year immediately following the last day of the Plan Year. Thus, an employer with a 2012 calendar year Plan paid its first PCORI fee by July 31, 2013 and so forth.

- Fee will be collected for seven years
- Will affect AgriPlan and BizPlan Clients with Plan years ending between 2012-2019
- Due each July 31st
- In 2014, this fee is equal to the average number of Plan participants x \$2
- PCORI multiplier will increase based on an inflation index in future years

To help ensure compliance, TASC will mail its impacted Multi-Employee AgriPlan, BizPlan and No Limit Plan Clients a pre-filled IRS Tax Form 720 in June of each applicable Plan Year. The form will be sent with instructions to complete the Form and Voucher and submit payment to the IRS. Watch your e-mail and mail for communications from TASC.

Healthcare Reform Changes

Health Insurance Portability and Accountability Act (HIPAA)

The Health Insurance Portability and Accountability Act (HIPAA) requires employers who sponsor a self-insured health Plan, Flexible Spending Account and/or Health Reimbursement Arrangement to protect the privacy of their employees' individually identifiable health information, also known as Protected Health Information or PHI.

If your business accepts employees' Protected Health Information, you must have controls in place to protect it. This includes establishing adequate "firewalls" around the PHI, certifying that the necessary restrictions exist, and providing a HIPAA Privacy Notice to employees. In addition, you must implement safeguards, policies and procedures to protect the security of electronically transmitted and stored PHI.

TASC's HIPAA *Microbusiness Compliance Suite Services* address these requirements by providing customers with all the necessary documentation and

by providing the tools to train staff who handle PHI. Please contact your TASC Provider or Regional Sales Director to learn more; or contact a Microbusiness Specialist at 888.595.2261 extension 17732.

Health Insurance Marketplace (Public Exchange)

The Marketplace simplifies the search for health coverage by gathering all of the available options in one place. This facilitates comparison of insurance plans based on price, benefits and quality.

All employers were required to provide a Notice of federally-facilitated or state-based entities to their employees before October 1, 2013. New employees are required to receive a copy of the Notice within 14 days of hire. In the event that you are a new employer, a copy of this blank Notice is available for download at www.tasconline.com/microbusiness-service-offerings. Please complete Part B of the form and distribute the Notice to your employees.

Universal Benefit Account

Benefits Should Feel Like Benefits

As your business grows and your needs change, TASC's Universal Benefit Account will grow with you. If your business has grown beyond a single employee, TASC's Universal Benefit Account may be a better fit.

Benefits should feel like benefits. Unfortunately, years of unpredictable rules and legislation have created a complex, confusing landscape of offerings from hundreds of companies. When benefits are difficult to manage, it's easy to forget that they're saving money for you and your employees.

TASC has created a simple, intuitive way to manage benefits. Its revolutionary Universal Benefit Account is designed around how people think rather than overcomplicated rules; helping you work smarter and faster.

At their core, many benefits work the same way: Money goes in, people request reimbursements, and money goes out.

When Americans have more money to spend, when they invest in their health, when they have the tools to support their families, when they give back to their communities, when they save and grow, we all benefit.

TASC is your true partner, helping you focus less on your benefits and more on your business.

No matter how the industry changes or needs evolve, we'll be here to listen and grow alongside you. And that's making benefits truly feel like benefits — for everyone.

Small Employer Group Plans

Most Microbusiness clients are enrolled in AgriPlan or BizPlan Health Reimbursement Arrangements (HRAs) with one employee—who is their spouse.

Other self-administered Plans are described on Pages 32-37. Universal Benefit Account Small Employer Group Plan options are described below:

OPTION 1	OR	OPTION 2	OR	OPTION 3
1. Stand-Alone HRA		1. Stand-Alone HRA 2. Health Premium Reimbursement Account (NESP)		1. Stand-Alone HRA 2. Health Premium Reimbursement Account (NESP) 3. Healthcare FSA

Stand-Alone HRA	Health Premium Reimbursement Account (NESP)	Healthcare FSA
Intended for the employer with less than 50 employees who does not offer Group health insurance to its employees. Employer wishes to help their employees pay for the cost of Individual health insurance premiums and out-of-pocket (213(d) eligible) qualified expenses.	This account cannot be offered alone and must be paired with the Stand-Alone HRA. Intended for the employer with less than 50 employees who does not offer Group health insurance to its employees. Employer wishes to offer a vehicle for their employees to fund on a pre-tax basis to help pay for the cost of Individual health insurance premiums.	This account cannot be offered alone and must be paired with the Stand-Alone HRA. Intended for the employer with less than 50 employees who does not offer Group health insurance to its employees. Employer wishes to make contributions to help their employees pay for the cost of out-of-pocket (213(d) eligible) qualified expenses.

New Compliance Documents

At the start of each Plan Year, be sure to download, complete and distribute new compliance documents for self-administered, multi-employee Plans referenced on the following pages from www.tasconline.com/microbusiness-service-offerings.

If you prefer that we send you a hard copy of the required forms and documents in the mail, please submit a MyService Request online after logging into your MyTASC account at www.tasconline.com. Or call us toll-free at 800.422.4661, Monday through Friday,

8:00 a.m. - 5:00 p.m. (all time zones). Please have your 12-digit MyTASC ID available so we can help you as quickly as possible.



At the start of each Plan Year, download, complete and distribute new compliance documents from:

www.tasconline.com/microbusiness-service-offerings

Limited Purpose HRA

(Section 105 Health Reimbursement Arrangement or a Self-Administered HRA)

A Limited Purpose HRA provides coverage for dental, orthodontia, vision and long-term care only. You can offer an AgriPlan BizPlan Limited Purpose HRA Plan whether you sponsor Group Insurance or not. Follow the steps below in order to keep your Limited Purpose HRA compliant and retain TASC's Audit Guarantee:

1) Establish an Employer/Employee Relationship

It is important that an employee is formally hired and that the relationship between employed members is legitimate and necessary. Expectations and job duties must be clearly understood and the compensation provided to an employee must be reasonable for the duties being performed.

2) Written Plan Document

A written *Plan Document* must be in place and officially adopted by the employer in order to provide pre-tax benefits under a Health Reimbursement Arrangement (Section 105). TASC keeps your *Plan Document* on file should the need ever arise where you are required to produce this documentation.

3) Distribute a Summary Plan Description

The *Summary Plan Description* (SPD) lists benefits, elections, eligibility requirements, and other terms and conditions of your Plan. Download and complete your *Summary Plan Description*. Verify the information to ensure that your Plan is set up correctly, and then distribute a copy to every Participant on your Plan.

4) Summary of Benefits and Coverage

The Departments of Treasury, Labor, and Health & Human Services (HHS) require you to distribute a uniform explanation of coverage or Summary of Benefits and Coverage (SBC) to HRA Plan Participants as part of the Affordable Care Act (ACA).

5) Pay a W-2 Wage

W-2 wages must be paid from the business/farm account and cashed or deposited into the employee's personal or family account.

6) File Appropriate Payroll Taxes

Cash compensation is subject to the appropriate payroll withholdings, including timely tax deposits. An employer will be required to complete and submit all appropriate forms and taxes (See page 11).

7) Reimburse Medical Expenses

The employer MUST reimburse each employee by transferring funds from the business account to a personal account set up by the employee. This can be done in one of two ways:



TASC Card Limitation

Please note that there is no way for TASC to limit your employees' reimbursements to only dental and vision services via the TASC Card.

a) TASC Card - BizPlan provides a debit card to the employee, which allows the employee to use that Card to pay for all medical expenses (with the exception of insurance premium payments). TASC will front the money for that expense at the time of purchase and then draw funds from the employer's business account within a week of the purchase. (See page 10)

b) Manual reimbursement – The employer reimburses an employee's medical expenses by writing a check or depositing funds into the employee's account. This method of reimbursement will require you to report these expenses at year end.

8) PCORI Fee

The Patient-Centered Outcomes Research Institute (PCORI) collected fee will help fund the private, nonprofit institute that has been created to evaluate the quality and effectiveness of various medicines and treatments and to conduct comparative clinical effectiveness research.

The ACA requires health insurance issuers and sponsors (i.e., the employer) of self-insured health plans to pay fees to help finance the institute's research. The PCORI fee will need to be recorded on IRS Excise Tax Form 720 and paid by July 31st of the calendar year immediately following the last day of the Plan year. TASC will assist by providing a completed *IRS Excise Tax Form 720* and instruction.

9) ERISA Notices

Employers with more than one employee are required to provide their employees with Employee Retirement Income Security Act (ERISA) notifications. Please refer to the *AgriPlan BizPlan ERISA Compliance Feature Pack* for the Notices and distribution instructions.

10) HIPAA Compliance

Provisions under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) are applicable to your Plan.

Limited Purpose HRA

(Section 105 Health Reimbursement Arrangement or a Self-Administered HRA)

11) Marketplace Notices

As of October 1, 2013, there is a new way to buy health insurance: the Health Insurance Marketplace. In compliance with the Affordable Care Act as it concerns new Health Insurance Exchanges, employers must complete the appropriate Model Notice and distribute it to the following:

- All employees (regardless of enrollment, part-time, or full-time status)
- COBRA Participants
- New hires within 14 days of employee start date.

12) Submit Expenses/Get a Year-End Report

A critical step of your Plan administration is to reimburse expenses that were incurred by your employees during the Plan year, submit those expenses to TASC for adjudication or review, and receive a *Year-End Report* for each employee to give to your tax professional. This Report provides the total allowed deduction, which you will need for your Profit and Loss Statement.

Submit Expenses Online – the fastest, easiest way to submit your expenses and get your *Year-End Report* is through the MyTASC online website. There's no need to wait until tax season to enter and review your expenses. You can login to your own personal account and enter expenses year-round at www.tasconline.com.

After you have finished entering all of your medical expenses for each employee for the year, requesting your *Year-End Report* is as easy as the click of a button. Your employees' expenses will be compared against a list of eligible expenses, and if these expenses are approved, you'll be able to print a PDF *Year-End Report for each employee immediately!*

If any of your submitted expenses raise a question, your *Year-End Report* will take another three to five business days for manual review. After these expenses have been manually reviewed and approved, you will receive an e-mail with a link to log back into MyTASC and download your report. (See page 25 for more information on our online web tools.)

Transmittal Worksheet – There are three methods of submitting your expenses via a *Transmittal* worksheet. All will result in a *Year-End Report*.

1) If you prefer that we send you a hard copy of a personalized *Transmittal* worksheet in the mail, please submit a *MyService Request* online OR call us toll-free at 800.422.4661, Monday

through Friday, 8:00 a.m. - 5:00 p.m. (all time zones). Please have your 12-digit MyTASC ID available so we can help you as quickly as possible.

2) If you would like to download and complete a paper *Transmittal* of your expenses, click on *Year-End Report* from the MyTASC home page or the *Year-End Report* tab. Then simply click on the Paper *Transmittal* link to open and print a PDF *Transmittal* worksheet. Complete the form and mail to TASC.

3) There is also a blank *Transmittal* worksheet in the back of this Manual that can be completed and mailed to TASC. This method will take longer for us to process and get your *Year-End Report* in the mail. Typically turn-around is 10 business days.

13) Renew your Plan

AgriPlan, BizPlan and No Limit Plans are employee benefit Plans that must be operated on a pre-planned basis. Clients must renew and pre-pay their Plan each year, before the new Plan Year begins (or request annual or quarterly electronic payment). Doing so ensures compliance with Period of Coverage regulations.

Regardless of when you initially enrolled during the previous year, you will receive renewal information in the mail each November. This includes your Savings Statement, Invoice for the next Plan Year, and e-mail reminding you to submit your expenses and download your *Year-End Reports*.

Before renewing, it is vital that you carefully review your Plan, taking special notice of your Employment Agreement and the total compensation package provided to your employee(s).

Notify BizPlan of any changes/updates to your Plan. Fill out a *Plan Election Change Form* (See *Forms* in the back of this Manual) or call our Customer Care Center to talk to a Representative who can help you make these changes. **Please note:** Benefit changes are permitted only during renewal (See page 8).

You can review your Plan elections by logging into your MyTASC account on our website (www.tasconline.com) at any time during the year.

Multi-Employee HRA

(Section 105 Health Reimbursement Arrangement or a Self-Administered HRA)

Employers with multiple employees can once again participate in an AgriPlan or BizPlan HRA, whether they sponsor Group insurance or not. The Plan administration has a few more requirements than a One Employee Plan.

Getting Started

Follow the steps below in order to keep your Multi-Employee HRA Plan compliant and retain TASC's Audit Guarantee:

1) Establish an Employer/Employee Relationship

It is important that an employee is formally hired and that the relationship between employed members is legitimate and necessary. Expectations and job duties must be clearly understood and the compensation provided to an employee must be reasonable for the duties being performed.

2) Written Plan Document

A written *Plan Document* must be in place and officially adopted by the employer in order to provide pre-tax benefits under a Health Reimbursement Arrangement (Section 105). TASC keeps your *Plan Document* on file should the need ever arise where you are required to produce this documentation.

3) Distribute a Summary Plan Description

The *Summary Plan Description* (SPD) lists benefits, elections, eligibility requirements, and other terms and conditions of your Plan. Download and complete your *Summary Plan Description*. Verify the information to ensure that your Plan is set up correctly, and then distribute a copy to every Participant on your Plan.

4) Summary of Benefits and Coverage

The Departments of Treasury, Labor, and Health & Human Services (HHS) require you to distribute a uniform explanation of coverage or *Summary of Benefits and Coverage* (SBC) to HRA Plan participants as part of the Affordable Care Act (ACA).

5) Pay a W-2 Wage

W-2 wages must be paid from the business/farm account and cashed or deposited into the employee's personal or family account.

6) File Appropriate Payroll Taxes

Cash compensation is subject to the appropriate payroll withholdings, including timely tax deposits. An employer will be required to complete and submit all appropriate forms and taxes (See page 11).

7) Reimburse Medical Expenses

The employer MUST reimburse each employee by transferring funds from the business account to a personal account set up by the employee. This can be done in one of two ways:

a) TASC Card - BizPlan provides a debit card to the employee, which allows the employee to use that Card to pay for all medical expenses (with the exception of insurance premium payments). TASC will front the money for that expense at the time of purchase and then draw funds from the employer's business account within a week of the purchase. (See page 10)

b) Manual reimbursement – The employer reimburses an employee's medical expenses by writing a check or depositing funds into the employee's account. This method of reimbursement will require you to report these expenses at year end.

8) PCORI Fee

The Patient-Centered Outcomes Research Institute (PCORI) collected fee will help fund the private, nonprofit institute that has been created to evaluate the quality and effectiveness of various medicines and treatments and to conduct comparative clinical effectiveness research.

The ACA requires health insurance issuers and sponsors (i.e., the employer) of self-insured health plans to pay fees to help finance the institute's research. The PCORI fee will need to be recorded on *IRS Excise Tax Form 720* and paid by July 31st of the calendar year immediately following the last day of the Plan year. TASC will assist by providing a completed *IRS Excise Tax Form 720* and instruction.

9) ERISA Notices

Employers with more than one employee are required to provide their employees with Employee Retirement Income Security Act (ERISA) notifications. Please refer to the *AgriPlan BizPlan ERISA Compliance Feature Pack* for the Notices and distribution instructions. Consider Microbusiness Compliance Suite to avoid potential hefty penalties and fines.

10) HIPAA Compliance

Provisions under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) are applicable to your Plan.

Multi-Employee HRA

(Section 105 Health Reimbursement Arrangement or a Self-Administered HRA)

11) Marketplace Notices

As of October 1, 2013, there is a new way to buy health insurance: the Health Insurance Marketplace. In compliance with the Affordable Care Act as it concerns new Health Insurance Exchanges, employers must complete the appropriate *Model Notice* and distribute it to the following:

- All employees (regardless of enrollment, part-time, or full-time status)
- COBRA Participants
- New hires within 14 days of employee start date.

12) Submit Expenses/Get a Year-End Report

A critical step of your Plan administration is to reimburse expenses that were incurred by your employees during the Plan year; submit those expenses to TASC for adjudication or review, and receive a *Year-End Report* for each employee to give to your tax professional. This Report provides the total allowed deduction, which you will need for your Profit and Loss Statement.

Submit Expenses Online – the fastest, easiest way to submit your expenses and get your *Year-End Report* is through the MyTASC online website. There's no need to wait until tax season to enter and review your expenses. You can login to your own personal account and enter expenses year-round at www.tasconline.com.

After you have finished entering all of your medical expenses for each employee for the year, requesting your *Year-End Report* is as easy as the click of a button. Your employees' expenses will be compared against a list of eligible expenses, and if these expenses are approved, you'll be able to print a PDF *Year-End Report for each employee* immediately!

If any of your submitted expenses raise a question, your *Year-End Report* will take another three to five business days for manual review. After these expenses have been manually reviewed and approved, you will receive an e-mail with a link to log back into MyTASC and download your report. (See page 25 for more information on our online web tools.)

Transmittal Worksheet – There are three methods of submitting your expenses via a *Transmittal* worksheet. All will result in a *Year-End Report*.

1) If you prefer that we send you a hard copy of a personalized *Transmittal* worksheet in the mail, please

submit a *MyService Request* online OR call us toll-free at 800.422.4661, Monday through Friday, 8:00 a.m. - 5:00 p.m. (all time zones). Please have your 12-digit MyTASC ID available so we can help you as quickly as possible.

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13) Renew your Plan

AgriPlan, BizPlan and No Limit Plans are employee benefit Plans that must be operated on a pre-planned basis. Clients must renew and pre-pay their Plan each year, before the new Plan Year begins (or request annual or quarterly electronic payment). Doing so ensures compliance with Period of Coverage regulations.

Regardless of when you initially enrolled during the previous year, you will receive renewal information in the mail each November. This includes your Savings Statement, Invoice for the next Plan Year, and e-mail reminding you to submit your expenses and download your *Year-End Report*.

Before renewing, it is vital that you carefully review your Plan, taking special notice of your Employment Agreement and the total compensation package provided to your employee(s).

Notify BizPlan of any changes/updates to your Plan. Fill out a *BizPlan Election Change Form* (See *Forms* in the back of this Manual) or call our Customer Care Center to talk to a Representative who can help you make these changes. **Please note:** Benefit changes are permitted only during renewal (See page 7).

You can also review your Plan elections by logging into your MyTASC account on our website (www.tasconline.com) at any time during the year.

Multi-Employee No Limit Plan

(Self-Funded Health Plan)

Follow these simple steps to set up and operate your Plan. Find the electronic documents referenced below at

www.tasconline.com/microbusiness-service-offerings.

Getting Started

The self-administered No Limit Plan does require some additional record keeping and paperwork on your behalf to maintain your tax savings. Follow the steps below in order to keep your No Limit Plan compliant and retain TASC's Audit Guarantee

1) Establish an Employer/Employee Relationship

It is important that an employee is formally hired and that the relationship between employed members is legitimate and necessary. Expectations and job duties must be clearly understood and the compensation provided to an employee must be reasonable for the duties being performed.

2) Written Plan Document

A written *Plan Document* must be in place and officially adopted by the employer in order to provide pre-tax benefits. TASC keeps your *Plan Document* on file should the need ever arise where you are required to produce this documentation.

TASC has added an addendum to its existing *Plan Document* to allow for the unlimited reimbursement of premiums and out-of-pocket medical expenses.

3) Distribute a Summary Plan Description

The *Summary Plan Description* (SPD) lists benefits, elections, eligibility requirements, and other terms and conditions of your Plan. Download and complete your *Summary Plan Description*. Verify the information to ensure that your Plan is set up correctly, and then distribute a copy to every Participant on your Plan.

4) Summary of Benefits and Coverage

The Departments of Treasury, Labor, and Health & Human Services (HHS) require you to distribute a uniform explanation of coverage or *Summary of Benefits and Coverage* (SBC) to Plan participants as part of the Affordable Care Act (ACA).

5) Pay a W-2 Wage

W-2 wages must be paid from the business/farm account and cashed or deposited into the employee's personal or family account.

6) File Appropriate Payroll Taxes

Cash compensation is subject to the appropriate payroll withholdings, including timely tax deposits. An employer will

be required to complete and submit all appropriate forms and taxes (See page 11).

7) Reimburse Medical Expenses

The employer MUST reimburse each employee by transferring funds from the business account to a personal account set up by the employee. The employer reimburses an employee's medical expenses by writing a check or depositing funds into the employee's account. This method of reimbursement will require you to report these expenses at year end.

8) PCORI Fee

The Patient-Centered Outcomes Research Institute (PCORI) collected fee will help fund the private, nonprofit institute that has been created to evaluate the quality and effectiveness of various medicines and treatments and to conduct comparative clinical effectiveness research.

The ACA requires health insurance issuers and sponsors (i.e., the employer) of self-insured health plans to pay fees to help finance the institute's research. The PCORI fee will need to be recorded on *IRS Excise Tax Form 720* and paid by July 31st of the calendar year immediately following the last day of the Plan year. TASC will continue to assist by providing a prefilled *IRS Excise Tax Form 720* and instruction.

9) ERISA Notices

Employers with more than one employee are required to provide their employees with Employee Retirement Income Security Act (ERISA) notifications. Please refer to the *AgriPlan BizPlan ERISA Compliance Feature Pack* for the Notices and distribution instructions.

10) HIPAA Compliance

Provisions under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) are applicable to your Plan.



No Limit Plan Has Higher Risk

There is no limit to the amount of claims submitted. The risk to this type of Plan design is the potential of receiving a high amount of medical claims, written off through your business, in any given year.

Multi-Employee No Limit Plan

(Self-Funded Health Plan)

11) Marketplace Notices

As of October 1, 2013, there is a new way to buy health insurance: the Health Insurance Marketplace. In compliance with the Affordable Care Act as it concerns new Health Insurance Exchanges, employers must complete the appropriate *Model Notice* and distribute it to the following:

- All employees (regardless of enrollment, part-time, or full-time status)
- COBRA Participants
- New hires within 14 days of employee start date.

12) Submit Expenses/Get a Year-End Report

A critical step of your Plan administration is to reimburse expenses that were incurred by your employees during the Plan year, submit those expenses to TASC for adjudication or review, and receive a *Year-End Report* for each employee to give to your tax professional. This Report provides the total allowed deduction, which you will need for your Profit and Loss Statement.

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After you have finished entering all of your medical expenses for each employee for the year, requesting your *Year-End Report* is as easy as the click of a button. Your employees' expenses will be compared against a list of eligible expenses, and if these expenses are approved, you'll be able to print a PDF *Year-End Report for each employee* immediately!

If any of your submitted expenses raise a question, your *Year-End Report* will take another three to five business days for manual review. After these expenses have been manually reviewed and approved, you will receive an e-mail with a link to log back into MyTASC and download your report. (See page 25 for more information on our online web tools.)

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1) If you prefer that we send you a hard copy of a personalized *Transmittal* worksheet in the mail, please submit a *MyService Request* online OR call us toll-free at 800.422.4661, Monday through Friday, 8:00 a.m. - 5:00 p.m. (all time zones). Please have your 12-digit MyTASC ID available so we can help you as quickly as possible.

2) If you would like to download and complete a paper *Transmittal* of your expenses, click on *Year-End Report* from the MyTASC home page or the *Year-End Report* tab. Then simply click on the Paper *Transmittal* link to open and print a PDF *Transmittal* worksheet. Complete the form and mail to TASC.

3) There is also a blank *Transmittal* worksheet in the back of this Manual that can be completed and mailed to TASC. This method will take longer for us to process and get your *Year-End Report* in the mail. Typically turn-around is 10 business days.

13) Renew your Plan

AgriPlan, BizPlan and No Limit Plans are employee benefit Plans that must be operated on a pre-planned basis. Clients must renew and pre-pay their Plan each year, before the new Plan Year begins (or request annual or quarterly electronic payment). Doing so ensures compliance with Period of Coverage regulations.

Before renewing, it is vital that you carefully review your Plan, taking special notice of your Employment Agreement and the total compensation package provided to your employee(s).

Notify TASC of any changes/updates to your Plan. Fill out a *BizPlan Plan Election Change Form* (See *Forms* in the back of this Manual) or call our Customer Care Center to talk to a Representative who can help you make these changes. **Please note:** Benefit changes are permitted only during renewal (See page 8).

You can also review your Plan elections by logging into your MyTASC account on our website (www.tasconline.com) at any time during the year.

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Forms

Written Employment Agreement

This Agreement,
between _____ (the "Employee"), and _____ (the
"Employer") is made this _____ day of _____, _____.

Employee agrees to perform, and continue to perform, for compensation, the described services
as an Employee of the Employer.

Employer, who is engaged in the business of _____
_____, agrees to compensate Employee for such services rendered in accordance with this
Agreement, and either party may terminate this Agreement at any time by giving notice to the
other party.

The parties agree and contract as follows:

Services the Employee shall perform (not limited to, and subject to change by the Employer)

● ● ● ● ● ●

e.g. bookkeeping, accounts payable, business errands, phone services, field work, clerical and/or retail services and other usual and customary services to the business.

Compensation includes the combined total of wages plus benefits. The Employee's compensation is subject to change at the Employer's discretion.

Wages: Employer agrees to compensate the Employee for services rendered under this Agreement in the form of benefits and wages. Wages shall be in the amount of \$ _____ per _____ (e.g. week, month or year).

Benefits: In addition to the above wages, the Employer agrees to provide certain benefits according to the terms and conditions of the established Employee Benefit Plan.

Employer
Signature: _____

Employee
Signature: _____

Date: _____

Date: _____

Reasonable Compensation Worksheet

Reasonable Compensation Worksheet

Total Compensation Determination

1. Total medical expenses (premiums & out-of-pocket expenses) _____
2. W-2 wage + _____
3. Total compensation = _____

Hours Determination

4. Total hours worked per week x _____
52 weeks per year Multiply by 52
5. Total hours worked per year = _____

Hourly Wage Comparison

6. Total compensation _____
Divide by hours worked per year / _____
Amount per hour = _____

Is this reasonable for the duties being performed?

Employee Time Sheet

Employee Name: _____ Period Ending: _____

Date	In	Out	Duties Performed

TASC Card Enrollment Form

YES, SIGN ME UP FOR THE TASC CARD!

AgriPlan or BizPlan Plan ID Number: _____

Employer Name: _____

Employer E-mail Address (REQUIRED): _____

Business Account Information

Bank Routing Number:

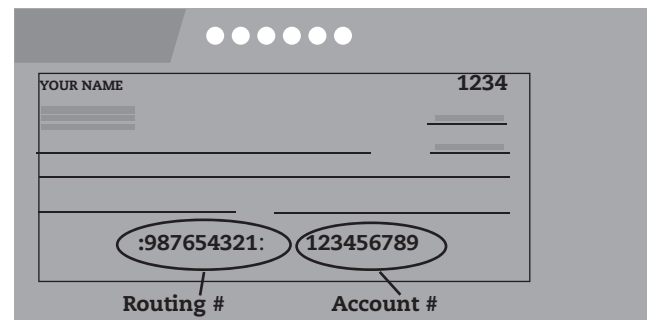
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Account Number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Cardholder Information

Employee Name: _____



Dependent Cardholder Information (optional)

Dependent Name: _____

I certify that all of the information provided above is true, accurate, and complete. I hereby authorize Total Administrative Services Corporation, hereinafter called TASC, to initiate debit entries from the checking account and financial institution named above, hereinafter called FINANCIAL INSTITUTION, and to debit the same from such account. I agree to provide sufficient funds in my business account to ensure prompt payment of medical expenses with the TASC Card. I acknowledge that the origination of ACH transactions from my business account must comply with the provisions of U.S. law. This authority is to remain in full force and effect until TASC has received written notification from me of its termination. in such time and manner as to afford TASC and my FINANCIAL INSTITUTION a reasonable opportunity to act. Although TASC will fund expenses on my behalf, ultimately all Card transactions are my responsibility. In addition, fraudulent claims (regardless of whether by use of the TASC Card or manually submitted) and/or amounts distributed to employees that exceed the available account balance are also my responsibility. I affirm that I am authorized to provide consent related to this agreement, and hereby authorize TASC to use the ACH System for: AgriPlan and BizPlan TASC Card Expenses.

Print Authorized Name

Authorized Signature

Date

TO SIGN UP FOR THE TASC CARD:
Complete and fax this form to 608.245.3623
It's that easy!

Transmittal Worksheet

Employee Benefit Expense Transmittal. Use this form to record your expenses throughout the Plan Year. Make additional copies as needed. Mail to TASC or enter expenses online at www.tasconline.com at the end of your Plan Year.

Expenses

Year Incurred	Name of Care Provider	Type of Service By Insurance	Amount Paid Not Covered						Date Paid					

Employee Name:	Employee ID #:																		
----------------	----------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

BizPlan Plan Election Change Form

Thank you for renewing your Plan with TASC! Each year at renewal time you have an opportunity to make changes to your Plan. For a list of your current benefits, please login to your online MyTASC account at www.tasconline.com. If a change is needed that will affect the new tax year, please return the Plan Election Change Form along with your invoice payment. Include additional fees with your invoice payment if adding additional employees. Make sure the Employer information section is completed before mailing.

Employer Information

Client First Name: _____ Client Last Name: _____ MyTASC ID: _____/_____/_____
Name of Business: _____ (Please see Invoice for MyTASC ID.)
EIN Tax Number: _____-_____ Insurance Policy Individual Group Carrier _____
Tax Filing Status: Sole Prop., Schedule F Sole Prop., Schedule C C-Corp S-Corp Partnership LLC Non-Profit
Plan: One Employee HRA Multi-Employee HRA Limited Purpose HRA No Limit Plan

Employer Changes:

Address: _____
City: _____ State: _____ Zip Code: _____
Phone: _____ Fax: _____
E-mail: _____
EIN Tax Number: _____-_____ Insurance Policy Individual Group Carrier _____
Tax Filing Status: Sole Prop., Schedule F Sole Prop., Schedule C C-Corp S-Corp Partnership LLC Non-Profit
Plan: One Employee HRA Multi-Employee HRA Limited Purpose HRA No Limit Plan

Employee Eligibility (EE) Requirement Changes

Part Time _____ hours (Max 25) Seasonal _____ months (7 max) Age _____ years (Max 25)
Current EEs _____ months (Max 36) New EEs _____ months (Max 36)

Benefits Offered to Employees

No Limit Plan All (Full amount of premium and out-of-pocket)

Medical Insurance Premiums (Long-Term care included): All (Full amount of premium is covered)
 Yes (Limited to Max Limit) \$ _____
 No (Not an offered benefit)

Medical Reimbursements (Out-of-Pocket Expenses): Yes (Limited of Max Limit) \$ _____
 No (Not an offered benefit)

Term Life Insurance (Employee Benefit Only) Yes No
Disability Insurance (Employee Benefit Only) Yes No
Dental Insurance Premiums: Yes No

Carry Over Feature

Your Plan default is set to carry over \$5,000 maximum for each eligible employee to the next Plan Year. There is no need for you to do anything unless you would like to opt-out of this Plan feature (Enter \$0) or enter a different dollar amount of your choice.
\$ _____

Employee Changes - NOTE: Please add \$90.00 for each additional employee (over one) to the cost of your Plan.

1. Name: _____ Birth Date: ____/____/____ Delete Add
2. Name: _____ Birth Date: ____/____/____ Delete Add
3. Name: _____ Birth Date: ____/____/____ Delete Add

OTC Prescription Order Form

The Affordable Care Act (ACA) amended previous definitions of which healthcare expenses are eligible for tax-advantaged benefit Plans. Effective 1/1/2011, this includes Over-The-Counter (OTC) expenses that fall under the category of "medicines and drugs" (with the exclusion of insulin). An *OTC Prescription Order Form* or prescription must be obtained and kept with your records for such expenses to remain eligible under your Plan.

1. Complete Section I (including your signature and the date) and Section II (Patient Name, Medicine Prescribed and Reason for Treatment) prior to visiting your Medical Practitioner.
2. Bring this form with you to your next medical appointment and request that the attending Medical Practitioner complete Section II (Instructions/Restrictions) and Section III.
3. Instruct them to follow the specific pharmacy/prescription laws in their respective state when completing the Instructions/Restrictions portion (Section II).
4. You may use the same form for each individual in your household for whom you purchase healthcare expenses, as long as the same Medical Practitioner is completing the form
5. TASC Card purchases of OTC medicines or drugs require a prescription from your medical practitioner. Do not use this OTC Prescription Order Form when using your TASC Card to purchase OTC medicines or drugs. The *OTC Prescription Order Form* may be used in place of a prescription for all other methods of Requests for Reimbursement (online, faxed, or mailed).
6. AgriPlan and BizPlan and No Limit Plan Participants should retain the completed Form for their own records. NESP/NEFSA Participants should submit this form to TASC with their medical expenses.

Section I

Employer (Company) Name: _____ Participant (Employee) TASC 12-Digit ID #: _____

Participant's Last Name: _____ First Name: _____ M.I.: _____

Signature: _____ Date: ____/____/____

The statements on this document are complete and true, to the best of my knowledge and belief. I understand that the IRS regulates my employee benefit account and that the guidelines are implemented as a means of ensuring compliance. I further understand that it is my responsibility to comply with these guidelines and to avoid submitting duplicate or ineligible requests.

Section II

Patient's Name	Medicine/Product Prescribed	Reason for Treatment	Instruction/Restrictions (if applicable)

Section III

I hereby certify that the treatment plan(s) listed above is medically necessary to treat the ailment or medical condition listed above. This treatment plan is neither for cosmetic reasons nor for general health and well-being.

Medical Practitioner's Name (PLEASE PRINT)

State of Prescriptive Authority

Medical Practitioner's Signature

Date



Effective 1/1/2011, purchases of Over-the-Counter (OTC) medicines and drugs (other than insulin) will only be reimbursable if accompanied by a prescription or *OTC Prescription Order Form* from your medical practitioner. Please note when using your TASC Card to purchase OTC medicines or drugs, a prescription is required. The *OTC Prescription Order Form* or a prescription may be used when submitting Requests for Reimbursement via online, fax or mail.

Items that will require a prescription or OTC Prescription Order Form AFTER Dec. 31, 2010 include the following:

Acid Controllers	Anti-itch & Insect Bite	Digestive Aids	Pain Relievers
Allergy & Sinus	Anti-parasitic Treatments	Feminine Anti-Fungal	Respiratory Treatments
Antibiotic Products	Diaper Rash Ointment	Hemorrhoidal Medication	Sleep Aids/Sedative
Anti-Gas	Cough/Cold/Flu	Laxatives	Stomach Remedies

Items that will remain eligible and need no physician authorization include the following:

Bandages/First Aid	Contact Lens Solution	Heating Pads	Orthopedic Aids
Birth Control Products	Denture Products	Hot/Cold/Steam Packs	Pregnancy/Fertility Kits
Blood Pressure Kits	Diabetes Testing Supplies	Incontinence Products	Splints/Supports/Braces
Canes & Walkers	Durable Medical Equipment	Insulin	Thermometers
Contact Lenses	Hearing Aid Batteries	Nebulizers	Wheelchair & Accessories

Definitions

For the purposes of this form...

- 1) "Medical Practitioner" generally includes the following health professionals: physician (MD/DO), physician assistant, nurse practitioner, dentist, optometrist and podiatrist.
- 2) "Prescription Order" is any order for drugs or medical supplies signed by a licensed medical practitioner granted prescriptive authority by the laws of the state. It contains the name, strength and quantity of the medicine/product prescribed, directions for use and number of refills (if applicable).



For a more complete list of eligible expenses, visit www.tascmicrobusinessnews.com

Restrictions

- The Medical Practitioner's signature may NOT be preprinted in the states of Arkansas, Connecticut, Florida, Georgia, Idaho, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, South Carolina, Tennessee, Virginia and Washington.
- Montana, Pennsylvania and South Dakota – the use of this form is prohibited; a prescription is required.

Adult Child Tracker Enrollment Form

CLIENT (BUSINESS OWNER) INFO

Name _____

Address Correction

Company _____

City, State, Zip _____

Phone _____

Phone #: () - _____

Employer E-Mail: _____

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The nation's recent healthcare reform legislation extends the age that young adults may remain on their parents' healthcare plans through the tax year they turn 26. As a result, TASC has modified its AgriPlan and BizPlan Plan Documents to allow for the reimbursement of out-of-pocket medical expenses of adult children. In addition, TASC's new, innovative and FREE Adult Child Tracker Service will track and notify you of eligible children on your Plan. **To utilize the Adult Child Tracker Service, simply have your employees fill out information on their children under the age of 26 below and return the Form to TASC in the enclosed envelope or fax to 608-245-3623.**

PARTICIPANT (EMPLOYEE) INFO

Name :

Employee #:

TRACKER INFO

Please use black ink

CHILD INFO:

	Birth Date (Mo/Day/YR)	First Name	Last Name
1	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>
	Email _____		
2	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>
	Email _____		
3	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>
	Email _____		
4	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>
	Email _____		
5	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>
	Email _____		

Adult Child Tracker Opt-Out Form

CLIENT (BUSINESS OWNER) INFO

Name _____

Address Correction

Company _____

City, State, Zip _____

Phone _____

Phone #: () - _____

Employer E-Mail: _____

The nation's recent Healthcare Reform legislation extends the age that young adults may remain on their parents' healthcare plans through the tax year they turn 26. As a result, TASC has modified its AgriPlan and BizPlan Plan Documents to allow for the reimbursement of out-of-pocket medical expenses of adult children. **If you have multiple employees, you may not wish to include your employees' adult children's out-of-pocket medical expenses on your Plan.** To opt out of the service, check the opt-out box below.

Opt-Out (Do NOT include Adult Children on Plan)

If you want to offer benefits to adult children, TASC's new, innovative and FREE Adult Child Tracker Service will track and notify you of eligible children on your Plan. To utilize the Adult Child Tracker Service, simply have your employees fill out information on their children under the age of 26 below. Return the completed Form to TASC in the enclosed envelope or fax to 608-245-3623.

PARTICIPANT (EMPLOYEE) INFO

Name :

Employee #:

TRACKER INFO

Please use black ink

CHILD INFO:

	Birth Date (Mo/Day/YR)	First Name	Last Name
1	□□ / □□ / □□□□	□□□□□□□□□□	□□□□□□□□□□□□□□
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5	□□ / □□ / □□□□	□□□□□□□□□□	□□□□□□□□□□□□□□
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