




Premium Only Plan Manual



Table of Contents

This Administration Manual provides all of the guidance you need to properly manage your FlexSystem Premium Only Plan. If you have any questions pertaining to your FlexSystem Premium Only Plan, call us toll-free at 800-422-4661. While not required, the 12-digit TASC ID provided in this welcome kit will help get you to the right contact quickly.

Welcome	3
Introduction to Premium Only Plans	4
Plan Document	4
Employer Tax Savings	5
W-2 Forms and Your POP	6
Getting Started in FlexSystem	8
FlexSystem Renewal	9
TASC Invoicing Practices	10



Client Forms	
Employer Check List	13
Participant Guide to Premium Only Plans	14
Change of Election Form	15
Board of Directors Certificate of Resolution	16
FlexSystem Upsell Flyer	17



Welcome

Dear Valued Customer:

Thank you for choosing FlexSystem for administration of your Section 125 Premium Only Plan! We appreciate your business and look forward to servicing your Plan.

This Manual contains everything you need to implement your Section 125 Premium Only Plan, including an Employer Check List and a Participant Guide to Premium Only Plans. All of these forms are located in the Administrative Form section of the Manual.

Visit our TASC news site at www.tasctracker.com and subscribe to receive news updates via email. Must-know information regarding TASC products is posted regularly on this site.

Thank you for allowing us to administer your Section 125 Premium Only Plan. We are confident you will find the Plan to be efficient and worthwhile. Feel free to call 1-800-422-4661 for any customer assistance you may need.

Sincerely,

FlexSystem



Introduction to Premium Only Plans

How will a company benefit from a Section 125 Premium Only Plan?

A Section 125 Premium Only Plan enables employees to pay for their portion of the employer-sponsored health insurance premiums on a pre-tax basis. The result is tax savings for both employer and employees! By offering a Section 125 Premium Only Plan, an employer is able to:

Reduce Payroll Costs. Matching Social Security (FICA) contributions are reduced for each dollar of employee participation!

Recruit and Retain of Quality Employees. An employer is viewed in a positive light by current and prospective employees because a benefit package is being provided to the employees by the company...with the employee's interests in mind.

How does a company implement a Section 125 Premium Only Plan?

To implement a Section 125 Premium Only Plan, a Plan Document must be adopted. Download your Plan Document at <https://www.tasconline.com/flexsystem-plan-documents>. This is very important! In order for this plan to be tax advantaged, the IRS requires an employer to have an individual authorized by the employer's corporate charter or bylaws to officially adopt the Cafeteria Plan. To do so, download the document, the adoption instructions and complete Article XI as instructed. Keep the documents for your records. Do not return to TASC.

A change is required in the way payroll taxes are calculated. A Section 125 Premium Only Plan will affect employees who have health, dental, vision, disability and/or group term life insurance premiums deducted from their payroll and who elect to participate in the Section 125 Premium Only Plan. Because these expenses are paid with pre-tax dollars, employees are taxed on a lower gross salary, thereby saving money that would otherwise be spent on federal, state and FICA taxes. Your company also saves on your portion of the FICA taxes (7.65%) for every dollar your employees run through the Plan.

EXAMPLE 1 illustrates how a payroll check would be calculated for an employee who earns \$20,000 annually, is paid on a monthly basis and has three withholding allowances. In this example, the employee is paying for their health insurance premium with after-tax dollars.

EXAMPLE 2 shows how the payroll check is now computed because of participation in the Section 125 Premium Only Plan. The only change required by the Section 125 Premium Only Plan is that the insurance premium be deducted on a pre-tax basis. This means the employer will need to deduct the insurance premium from the gross salary before computing the FICA, federal and state income taxes.

Because of the Section 125 Premium Only Plan, the employee's net paycheck has been increased because the insurance premium is paid with pre-tax dollars. Section 125 permits the gross salary to be reduced by the insurance premiums being funded through the payroll deduction. Therefore, taxes will go down and the employee's paycheck will increase.

EXAMPLE 1

Monthly Gross Salary	\$1,666
FICA	- 127
Federal Income Tax	- 249
*State Income Tax	- 52
Adj. Gross Salary	\$1,238
Insurance Premium	- 400
Net Pay	\$ 838

*Some states do not have a state income tax. Example assumes 3.1%.

EXAMPLE 2

Monthly Gross Salary	\$1,666
Insurance Premium	- 400
Adj. Gross Salary	\$1,266
FICA	- 97
Federal Income Tax	- 190
*State Income Tax	- 39
Net Pay	\$ 940

Yearly Savings = \$1,224

*Some states do not have a state income tax. Example assumes 3.1%.

Employer Tax Savings

To estimate the potential savings realized by implementing a POP, determine the total number of single employees and the total number of family employees. Then, multiply that figure by the amount of premiums paid by the employees.

Employer Tax Savings Worksheet

A) Estimated Health Premiums

A1 Total Monthly Premium Paid for Single _____

A2 Total Monthly Premium Paid for Family _____

A3 Number of Employees on the Single Plan _____

A4 Number of Employees on the Family Plan _____

B) Other Insurance Premiums (Group dental, vision, disability, and/or term life.)

B1 Total Monthly Premium Paid for Single _____

B2 Total Monthly Premium Paid for Family _____

B3 Number of Employees on the Single Plan _____

B4 Number of Employees on the Family Plan _____

C) Calculated Savings

Total of A1 x A3 = \$ _____

Total of A2 x A4 = \$ _____

Total of B1 x B3 = \$ _____

Total of B2 x B4 = \$ _____

Add the four totals from above = \$ _____

x 7.65%

Estimated Potential Payroll Savings/Month \$ _____

EXAMPLE

Health Insurance for Single Employees \$ 300
(6 Single Employees x \$50 per month)

Health Insurance for Family Employees \$ 2,500
(10 Married Employees x \$250 per month)

Short-Term Disability Insurance \$ 260
(13 Employees x \$20 per month)

Total Monthly Premiums \$ 3,060

Total Employer Monthly Savings \$ 234
(Total Monthly Premiums x 7.65%)

Annual Employer Payroll Tax Savings is \$2,808!

W-2 Forms and Your POP

To take advantage of the pre-tax benefits available with a Section 125 Premium Only Plan, employees are paying for their share of insurance premiums by reducing their salary before taxes are calculated, as illustrated in the example below. The reduced gross wages (A) is the amount used for W-2 income tax purposes.

Instructions for completion of W-2 Form for POP Participants:

1. Input Item A, Reduced Gross Wages, in Boxes 1, 3, and 5.
2. Input Item A, Reduced Gross Wages, in Box 16.
3. Input either the non-reduced Gross Wages or Item A, Reduced Gross Wages, in Box 18 as determined by local jurisdiction.
4. Input Item B in Box 2.
5. Input Item C in Box 17.
6. Input Item D in Box 4.
7. Input Item E in Box 6.
8. Complete all other lines as they would be completed without regard to the Premium Only Plan.

Box 14 of the form allows employers the opportunity to provide the employee with information on any additional deductions. Deduction in this box may include union dues, education assistance payments, a clergyman's parsonage allowance and utilities, etc. It may include amounts paid for a Cafeteria Plan, however it is not typical to list these here. The box is used mostly for informational purposes.

Gross Wages		20,000
less premiums withheld from salary on a pre-tax basis		2,400
Reduced Gross Wages	(A)	17,600
Less:		
*Federal Income Tax	(B)	2,640
*State Income Tax	(C)	540
Social Security Tax	(D)	1,346
Medicare Tax	(E)	225
Net Wages:		12,849

* Figures may vary based on individual filing status.

POP W-2 Form Example

a. Control number		For Official Use Only OMB No. 1545-0008				
b. Employer's identification number 12-3456789			1 Wages, tips, other compensation 17,600.00		2 Federal income tax withheld 516.00	
c. Employer's name, address, and ZIP code SAMPLE COMPANY 100 Cafeteria Drive Kansas City MO 64112			3 Social security wages 17,600.00		4 Social security tax withheld 1,091.00	
			5 Medicare wages and tips 17,600.00		6 Medicare tax withheld 255.00	
			7 Social security tips		8 Allocated tips	
d. Employee's social security number 999-99-9999			9 Advance EIC payment		10 Dependent care benefits	
e. Employee's name (first, middle initial, last) Taxpayer 101 Anytown Kansas City MO 64112			11 Nonqualified plans		12a See instructions for Box 12	
			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	
			14 Other		12c	
					12d	
f. Employee's address and ZIP code						
15 State	Employer's state I.D. No.	16 State wages, tips, etc. 17,600.00	17 State income tax 540.00	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return

Department of the Treasury - Internal Revenue Service
For Privacy Act and Paperwork Reduction
Act Notice, see separate instructions.

Getting Started in FlexSystem

Starting Your Plan

You will soon receive a copy of the Summary Plan Description (SPD) detailing your Plan benefits and eligibility requirements. Please review for accuracy. Copy and distribute to each eligible employee the SPD and the Participant's Guide to Premium Only Plans, found later in this Manual. Your employees will be instructed to inform you only if they elect not to participate in the Plan.

Eligible Employees

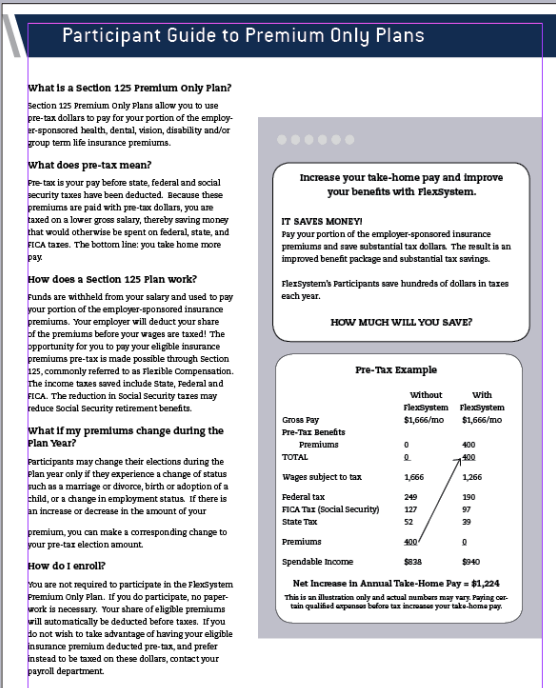
The Section 125 Plan regulations require all Participants in the Plan to be employees of the employer. As such, eligibility to participate is generally limited to common-law employees of the employer and the specific eligibility requirements for the Plan are set out in the Plan Document and Summary Plan Description. It is important to note there are individuals who are specifically excluded from participating. For instance a sole proprietor can sponsor a Section 125 Plan, however the sole proprietor is not considered an employee and thus cannot participate. The same holds true for Partners in a partnership. In addition, more-than-2% shareholders of an S-Corporation are not eligible to participate and due to attribution rules the shareholder's spouse, children, parents, and grandparents are also excluded from participation.

Non-Discrimination Assessment

To ensure that your Plan complies with all the rules and regulations of the Internal Revenue Services, you must complete the Non-Discrimination Assessment each year for your FlexSystem Plan. The assessment is provided on an annual basis. TASC will send an assessment request to you annually. This request includes instructions on how to gather and complete the data worksheet. Once received, please submit this information within 30 days to TASC in order that the assessment can be performed in a timely manner.

Your Plan is Operational

Your FlexSystem is in place and operating. If you or your Plan Participants have questions or require additional information, contact the FlexSystem Customer Service Department at 1-800-422-4661.



Participant Guide to Premium Only Plans

What is a Section 125 Premium Only Plan?
Section 125 Premium Only Plans allow you to use pre-tax dollars to pay for your portion of the employer-sponsored health, dental, vision, disability and/or group term life insurance premiums.

What does pre-tax mean?
Pre-tax is your pay before state, federal and social security taxes have been deducted. Because these premiums are paid with pre-tax dollars, you are taxed on a lower gross salary, thereby saving money that would otherwise be spent on federal, state, and FICA taxes. The bottom line: you take home more pay.

How does a Section 125 Plan work?
Funds are withheld from your salary and used to pay your portion of the employer-sponsored insurance premiums. Your employer will deduct your share of the premiums before your wages are taxed! The opportunity for you to pay your eligible insurance premiums pre-tax is made possible through Section 125, commonly referred to as Flexible Compensation. The income taxes saved include State, Federal and FICA. The reduction in Social Security taxes may reduce Social Security retirement benefits.

What if my premiums change during the Plan Year?
Participants may change their elections during the Plan year only if they experience a change of status such as a marriage or divorce, birth or adoption of a child, or a change in employment status. If there is an increase or decrease in the amount of your premium, you can make a corresponding change to your pre-tax election amount.

How do I enroll?
You are not required to participate in the FlexSystem Premium Only Plan. If you do participate, no paperwork is necessary. Your share of eligible premiums will automatically be deducted before taxes. If you do not wish to take advantage of having your eligible insurance premium deducted pre-tax, and prefer instead to be taxed on these dollars, contact your payroll department.

Increase your take-home pay and improve your benefits with FlexSystem.

IT SAVES MONEY!
Pay your portion of the employer-sponsored insurance premiums and save substantial tax dollars. The result is an improved benefit package and substantial tax savings.

FlexSystem's Participants save hundreds of dollars in taxes each year.

HOW MUCH WILL YOU SAVE?

Pre-Tax Example

	Without FlexSystem \$1,666/mo	With FlexSystem \$1,666/mo
Gross Pay		
Pre-Tax Benefits		
Premiums	0	400
TOTAL	0	400
Wages subject to tax	1,666	1,266
Federal tax	249	190
FICA Tax (Social Security)	127	97
State Tax	52	39
Premiums	400	0
Spensible income	\$838	\$940

Net Increase in Annual Take-Home Pay = \$1,224
This is an illustration only and actual numbers may vary. Paying certain qualified expenses before tax increases your take-home pay.

FlexSystem Renewal

To retain the pre-tax advantages of your FlexSystem Premium Only Plan, you must renew your Plan each year. Each renewal includes the following services:

- Plan Document
- Summary Plan Description (SPD)
- Non-Discrimination Assessment
- Toll-Free Support
- Compliance Guidance

Renewal notifications are sent approximately 75 days prior to your Plan effective date. This is the time to ensure we have up-to-date account information for you and on your Plan Benefit offerings. Plan renewal time is also an excellent time to consider offering your employees a full Section 125 Plan. For more information on the benefits of a full Section 125 refer to the Upgrade Flyer in this Manual.

TASC Invoicing Practices

Purpose

TASC's Invoicing Practices aim to foster a clear understanding by communicating expectations to all Clients and Providers, ensuring compliance to TASC Plans and services, creating consistency between all of TASC's divisions, and ensuring the continuation of services.

Philosophy

To ensure that TASC operations continue to run smoothly, various actions need to occur in a timely manner, including the payment of TASC administrative fees. Paying in advance demonstrates that the Plan is for the benefit of employees, provides further evidence that the Plan has been established on a pre-thought basis, and ensures coverage under TASC's Audit Guarantees. TASC invoices in advance for two reasons:

1. TASC requires a commitment in advance of the business being processed, and
2. TASC requires a payment history for its Clients, so as to determine the Clients' status of good standing.

Types of Payments

- **Check**
Clients may pay by check.
- **E-Pay**
Clients may pay administrative fees electronically as long as they use E-Pay, and as long as these fees are debited 7-days prior to their service period start date. Therefore, if a service period begins January 1, Clients will be debited on December 23.
- **ACH Credit**
Clients may pay administrative fees, funding invoices or Payroll Verification Reports via an electronic ACH Credit transfer. A \$40 per transaction Service Charge will be assessed. Clients should contact their Provider for details.
- **ACH Debit**
Clients may pay administrative fees, funding invoices or Payroll Verification Reports via an electronic ACH Debit transfer.

Types of Invoices

- **Administration Fee**
Generated annually, quarterly, or monthly for TASC Services that are provided during a pre-determined service period.
- **Premium Services Fee**
This invoice is generated when a Client has elected a Premium Service.

Standard procedures across all divisions

- **Invoice**
Generated and sent forty-five (45) days prior to the Service Period start.
- **Due Date**
Will be seven (7) days from the date the invoice was generated.
- **Service Charge Date**
An additional \$20 fee will be assessed sixty (60) days from the original Invoice Date if the invoice is not paid by the Service Charge due date, and the account will be placed on hold. Exception: If DirectPay funding or FlexSystem FSA invoices are not paid within 21 days of Plan start a notice will be sent to the Client; if the invoice is still unpaid at 30 days the account will be placed on hold.
- **Statement**
A Statement (second notice) of unpaid invoices will be mailed fifteen (15) days prior to the start of the Service Period.
- **Past Due E-mail Notification**
On the first day of the Service Period or forty-five (45) days after the original invoice date (whichever comes first), an e-mail will be sent to any account with unpaid invoices older than forty (40) days. This e-mail will inform the Client that the account will be put on hold and that a \$20 service fee will be charged if the invoice is not paid within sixty (60) days of the original invoice issue date. Exception: FlexSystem FSA invoices will receive notification of Past Due at 15 days after the date of invoice.

- **Final Notice Statement**

A Final Notice Statement (third notice) will be mailed out fifteen (15) days into the Service Period, with a Service Charge of \$20.00, a notice of “default” status, and a notice that all account services have been placed on hold.

- **Collections**

The account will be placed in Collections forty-five (45) days into the Service Period start, or ninety (90) days after the original invoice date, whichever comes first.

- **Plan Termination**

The account will be terminated one hundred four (104) days into the Service Period start. Letters will be provided to each Client being terminated.

- **Fee Calculations**

Fees are calculated on the number of known Participants at the time the invoice is generated. Administration fees are either the minimum fee or the number of Participants multiplied by the per Participant fee, whichever is higher. If the number of Participants is unknown the minimum fee will be charged.

Client Responsibilities

- Mail invoices and payments in the envelope provided (goldenrod color) to: TASC - Client Invoices, PO Box 88278, Milwaukee, WI 53288-0001.
 - All invoice payments must be submitted separately from all other payments and transactions.
 - All invoice payments must be made separately (i.e. one check with one invoice).
- Notify TASC of any disputes or any changes.

.....

Client Forms

These forms are for reference only.
Please copy as needed.

Employer Checklist

The Employer and Plan Administrator (if other than the employer) should complete the following steps:

- ☒ 1. Complete the Plan Application, sign and date the document. Return to FlexSystem.
- ☐ 2. Distribute to all eligible employees a copy of the FlexSystem Participant Guide to Premium Only Plans.
- ☐ 3. Adjust Payroll to reflect the premium pre-tax deduction(s).
- ☐ 4. Distribute to all eligible employees a copy of the Summary Plan Description (SPD).

Participant Guide to Premium Only Plans

What is a Section 125 Premium Only Plan?

Section 125 Premium Only Plans allow you to use pre-tax dollars to pay for your portion of the employer-sponsored health, dental, vision, disability and/or group term life insurance premiums.

What does pre-tax mean?

Pre-tax is your pay before state, federal and social security taxes have been deducted. Because these premiums are paid with pre-tax dollars, you are taxed on a lower gross salary, thereby saving money that would otherwise be spent on federal, state, and FICA taxes. The bottom line: you take home more pay.

How does a Section 125 Plan work?

Funds are withheld from your salary and used to pay your portion of the employer-sponsored insurance premiums. Your employer will deduct your share of the premiums before your wages are taxed! The opportunity for you to pay your eligible insurance premiums pre-tax is made possible through Section 125, commonly referred to as Flexible Compensation. The income taxes saved include State, Federal and FICA. The reduction in Social Security taxes may reduce Social Security retirement benefits.

What if my premiums change during the Plan Year?

Participants may change their elections during the Plan year only if they experience a change of status such as a marriage or divorce, birth or adoption of a child, or a change in employment status. If there is an increase or decrease in the amount of your

premium, you can make a corresponding change to your pre-tax election amount.

How do I enroll?

You are not required to participate in the FlexSystem Premium Only Plan. If you do participate, no paperwork is necessary. Your share of eligible premiums will automatically be deducted before taxes. If you do not wish to take advantage of having your eligible insurance premium deducted pre-tax, and prefer instead to be taxed on these dollars, contact your payroll department.

Increase your take-home pay and improve your benefits with FlexSystem.

IT SAVES MONEY!

Pay your portion of the employer-sponsored insurance premiums and save substantial tax dollars. The result is an improved benefit package and substantial tax savings.

FlexSystem's Participants save hundreds of dollars in taxes each year.

HOW MUCH WILL YOU SAVE?

Pre-Tax Example

	Without FlexSystem	With FlexSystem
Gross Pay	\$1,666/mo	\$1,666/mo
Pre-Tax Benefits		
Premiums	0	400
TOTAL	<u>0</u>	<u>400</u>
Wages subject to tax	1,666	1,266
Federal tax	249	190
FICA Tax (Social Security)	127	97
State Tax	52	39
Premiums	<u>400</u>	<u>0</u>
Spendable Income	\$838	\$940

Net Increase in Annual Take-Home Pay = \$1,224

This is an illustration only and actual numbers may vary. Paying certain qualified expenses before tax increases your take-home pay.

Premium Only Plan Change of Election Form

This form is for your internal use only. Retain for your records.

A change of election must be (1) on account of and correspond to one of the qualifying events below and (2) made within 30 days of the qualifying event.

Participant Name _____ Participant ID # _____

Effective date of change _____ First payroll affected by change _____

TYPE OF CHANGE

I hereby request a change in my benefit election(s) as follows:

Benefit	Current Payroll Deduction Amount	New Payroll Deduction Amount	Revised Annual Election*
Employer Group Insurance Premium	\$ _____	\$ _____	\$ _____

***Required to be entered.** The revised annual amount is determined by adding your year-to-date deductions taken at the old rate to your deductions to be taken for the remaining pay periods in the Plan Year.

Reason For Change (Qualifying Events)

- | | | |
|---|---|---|
| <input type="radio"/> Change in Legal Marital Status | <input type="radio"/> Change in the Cost of Coverage | <input type="radio"/> Addition or Elimination of Benefit Package |
| <input type="radio"/> Change in Number of Dependents | <input type="radio"/> HIPAA Special Enrollment Rights | <input type="radio"/> Entitlement to Medicare or Medicaid |
| <input type="radio"/> Change in Employment Status | <input type="radio"/> Judgement, Decree or Order | <input type="radio"/> Change in Coverage of Spouse or Dependent Under Other Employer's Plan |
| <input type="radio"/> Dependent Satisfies or Ceases to Satisfy Eligibility Requirements | <input type="radio"/> FMLA | <input type="radio"/> Loss of group health coverage sponsored by governmental or educational institutions |
| <input type="radio"/> Change in Residence | <input type="radio"/> COBRA | |
| | <input type="radio"/> Significant Curtailment of Coverage | |

Participant Signature _____ Date _____

Client Signature _____ Date _____

Participants: Submit this form to your employer and retain a copy for your records.

Employers: Retain this form for your records.

Board of Directors Certificate of Resolution

While the Employer may choose to complete a Certificate of Resolution, doing so is not required. If you choose to complete this Resolution, re-type it on company letterhead.

The undersigned Secretary or Principal of _____ (the Employer) hereby certifies that the following resolutions were duly adopted by the board of directors of the Employer on _____, 20_____, and that such resolutions have not been modified or rescinded as of the date hereof.

RESOLVED, effective _____, 20_____, that the form of a Cafeteria Plan presented to this board is hereby approved and adopted, and that the proper officers of the Employer are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

RESOLVED, that the Administrator shall be instructed to take such actions deemed necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

RESOLVED, that the proper officers of the Employer shall act as soon as possible to notify employees that the Cafeteria Plan has been adopted by giving each employee a copy of the approved Summary Plan Description of the Plan.

The undersigned further certifies that attached hereto as exhibits are true copies of the Premium Only Plan Application and the Summary Plan Description, as approved and adopted in the foregoing resolutions.

By: _____
Secretary/Principal

Date

Don't Overlook the **Increased Savings Potential** for You and Your Employees!

Your current FlexSystem Premium Only Plan (POP) already provides a valuable benefit to your employees by allowing them to use pre-tax dollars for their group health insurance premiums. *But did you know...*

...you could offer a more robust benefit plan that actually pays for itself?

Increase the Power of Pre-tax by Upgrading to a Full FSA Plan!

A Full FSA Plan provides more benefit options for eligible employees to elect and use pre-tax dollars, leading to increased contributions and reduced taxes:

- ✓ Healthcare FSA
- ✓ Dependent Care FSA
- ✓ Transportation FSA (parking and transit)
- ✓ Non-Employer Sponsored Premiums

See the Win-Win Savings Potential

Employer Savings Example

	POP	Full FSA
Assume # of Plan Participants:	30	30
<u>Annual Pre-Tax Contributions per Participant</u>		
Medical/Dental Premiums:	-\$3,600	-\$3,600
Medical Expenses:	n/a	-\$1,200
Daycare Expenses:	n/a	-\$4,800
TOTAL Contributions:	-\$3,600	-\$9,600
x 30 Participants:	\$108,000	\$288,000
Your FICA Savings (7.65%):	\$8,262	\$22,032

Increase in FICA Savings = \$13,770/year!

For illustration purposes only. Actual dollar amounts may vary.

Upgrade Discount Offer

When you upgrade, the new enrollment fee is discounted by your current POP enrollment fee!

Don't overlook your savings potential!
Upgrade today! Simply reply to this e-mail or call:

TASC Added Advantage
1.888.595.2261 ext. 17730

Employers win by reducing payroll taxes on every dollar an employee contributes from their payroll. The tax savings gained virtually covers the Plan Fees, thus *paying for itself!*

Participants win by reducing income taxes after electing pre-tax dollars from their payroll, thus *increasing their take-home pay!*

Participant Savings Example

	POP	Full FSA
Gross Monthly Pay:	\$3,500	\$3,500
<u>Monthly Pre-Tax Contributions</u>		
Medical/Dental Premiums:	-\$300	-\$300
Medical Expenses:	n/a	-\$100
Daycare Expenses:	n/a	-\$400
TOTAL Contributions:	-\$300	-\$800
Taxable Monthly Income	\$3,200	\$2,700
Taxes (federal, state, FICA):	-\$885	-\$747
Out-of-pocket Medical/Daycare:	-\$500	\$0
Monthly Take-home Pay:	\$1,815	\$1,953

Net Increase in Take-Home Pay = \$138/mo!

For illustration purposes only. Actual dollar amounts may vary.

COBRAToday COBRA Administration
DirectPay Health Reimbursement Arrangements (HRA)
FlexSystem Flexible Spending Accounts (FSA)
ERISAEEdge ERISA Compliance
FMLAMatters FMLA Administration
Form 5500 Preparation
GiveBack
Health Savings Account
Non-Discrimination Testing
PayPath Payroll Services
PCORI