

MISSOURI  
STATE EMPLOYEES'  
CAFETERIA PLAN  
(MOCafe)

COMMUTER  
BENEFITS  
(parking and  
van-pool/mass transit)

2017  
**PLAN & ENROLLMENT GUIDE**  
State of Missouri Employees



**Open Enrollment Deadline: December 1, 2016**

In an effort to ease any confusion, the **Limited Scope Health Care FSA** will now be called the **Dental & Vision Care FSA**.

***NOTE:*** *If you or your spouse plan to open a Health Savings Account in 2017 and wish to receive or make contributions to that account, please note that any funds that you currently have in a Health Care Flexible Spending Account must be claimed and reimbursed by December 31, 2016 (your account balance must be \$0 by December 31, 2016). See pages 5 and 11 for details. You can still enroll in the Dental & Vision Care Flexible Spending Account for reimbursement of dental and vision expenses!*

Administered By: Central/ASI  
800-659-3035

**Download ASI's free mobile app to file claims quickly and easily!**  
You may also file claims online by logging into your account at [mocafe.com](http://mocafe.com)  
or by toll-free fax at 877-879-9038

P.O. Box 858  
Columbia, MO 65205-0858  
Website: [www.mocafe.com](http://www.mocafe.com)

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## COMMUTER BENEFIT PROGRAM

State and Federal tax laws allow employees to save taxes on parking at work and mass transit or vanpooling expenses incurred to get to work. Employees save by setting up a pre-tax payroll deduction that reduces taxable income. Your tax savings will vary, depending upon your tax bracket. Most employees will save at least \$12.50 on every \$50 they pay for qualified expenses.

These programs work very similarly to the Cafeteria Plan, but are separate from the MOCafe plan, and there are two distinct differences between the Cafeteria Plan and the Commuter Benefit Program. These differences are:

- ◆ **Enrollment is ongoing.** Unlike the *MOCafe* plan, you are not required to re-enroll in the pre-tax spending programs every year during open enrollment. Once you enroll in the Commuter Benefit Program, your enrollment will be ongoing for as long as you are employed by the State, unless you modify your election or terminate participation.
- ◆ **You can make a change or stop your election at any point in time.** You are not restricted to making changes after experiencing a life status event. However, changes cannot be made retroactively. To make a change in election or to stop your election, please fill out the Commuter Benefit Program Election form found online at [www.mocafe.com](http://www.mocafe.com).

**There are two separate Commuter Benefits Accounts in which State of Missouri employees are eligible to participate:**

- ◆ Pre-Tax Parking – Current monthly maximum is \$255\*
- ◆ Mass Transit/Van Pooling – Current monthly maximum is \$255\*

**Pre-Tax Parking:** Enrolling in the Pre-Tax Parking program allows you to get a tax break for expenses incurred for parking at or near your main place of employment **or** at or near a location from which you commute to work by car pool, commuter highway vehicle or mass transit. Out-of-pocket parking fees for parking meters, garages and lots qualify for reimbursement, but parking at or near your home is not an eligible expense.

Coverage in the program commences the month after receipt of the enrollment form, and coverage is ongoing until you cancel your election.

**Mass Transit/Van Pooling:** Enrolling in the Mass Transit/Van Pooling program allows you to get a tax break on expenses such as transit passes, tokens, fare cards, vouchers, or similar items entitling you to ride a mass transit vehicle to or from work. The mass transit service may be publicly or privately operated and includes bus, rail, or ferry. For most Mass Transit participants, ASI will issue you a voucher. However, ASI may also issue a transit pass or terminal-restricted debit card directly.

Van Pooling is defined as a commuter highway vehicle with a seating capacity of at least 7 adults (including the driver). At least 80% of the vehicle mileage must be for transporting employees between their homes and workplace, with employees occupying at least one-half of the vehicle's seats (not including the driver's seat). Not all employees riding in the van must work for the State of Missouri for these expenses to be eligible. For example, you ride in a 7-passenger van with 3 other passengers and the driver. The van is only used for commuting and all five people always ride together. Since at least one-half of the seats other than the driver's are occupied by commuters and more than 80% of the van's use is for commuting to and from work, you can include your cost of riding the van in the Commuter Benefits Program.

**Deductions for your Mass Transit/Van Pooling program commence the month following receipt of your enrollment, and coverage begins the month after that.**

**Enrollment:** You can enroll in the Commuter Benefits Program at any time by completing an enrollment form (you can access the enrollment form online at [www.mocafe.com](http://www.mocafe.com)). Remember that you can enroll, change or terminate your pre-tax deduction at any time. However, all changes are effective on checks issued after the first of the month following the change or enrollment.

\* Federal Maximums are subject to change. Please call ASI at 800-659-3035 with any questions.

## **GETTING YOUR MONEY BACK**

ASI will send you a welcome packet shortly after you enroll in the Commuter Benefits Program that includes a welcome letter and a supply of claim forms. To receive reimbursement for your expenses, you just submit a claim form and documentation to ASI for processing. Claims and receipts may be sent to ASI via U.S. Mail, filed online, or faxed to (877) 879-9038.

**Mass Transit Participants:** As stated above, most Mass Transit Participants will not receive cash reimbursement for expenses. Instead, ASI will purchase vouchers and transit passes, and mail these to you on a regular basis. For most participants, it is anticipated these vouchers will be valid for one month at a time. If you are a Mass Transit participant (i.e. you are riding a train, bus or ferry), please contact ASI via email ([asi@asiflex.com](mailto:asi@asiflex.com)) or phone (800-659-3035) to discuss how you will receive reimbursements for your Mass Transit expenses.

Reimbursement requests are generally processed within one business day of receipt. Payments are released **up to the amount you currently have available**. Payments will be released, up to your available funds, each business day. Be sure to sign up for direct deposit to have quicker access to your funds. Payments will be made by check for anyone not signing up for direct deposit.

Please note that you can claim more than you are having deducted for a given month, and the requests in excess of your available funds will roll forward to the next month and will automatically be reimbursed when your next payroll deduction occurs. However, requests that exceed the monthly Federal maximums\* will only be processed up to these maximums. Please review the following example to clarify this:

**Example:** Steve normally incurs \$200 per month in van pooling expenses, so he enrolls in the Commuter Benefit Program and has \$200 per month deducted pre-tax for these expenses. In January, Steve is assessed \$200 by his van pool coordinator, submits a claim for that amount and is reimbursed. In February, two of the riders in the van pool take new jobs closer to home and stop riding in the van pool, so Steve is charged \$275 per month for his share of the ride in February. Steve submits his claim to ASI for \$275, which exceeds the statutory limit\* of \$255 per month. ASI reimburses him the \$200 he has available and \$55 is reimbursed the next time he has a payroll deduction. Since the statutory maximum is \$255 per month for van pool expenses, the only amount that rolls forward is the \$55 difference.

**Documentation:** Federal Regulations require you to provide a written statement from the provider of the service that supports your claim if the provider provides receipts or other documentation in the ordinary course of its business. If the provider does not provide receipts or other documentation, explain the situation in the column labeled "Attach proof of expense or explain why it is not available in the ordinary course of business." If the provider normally provides documentation such as receipts you must provide a copy with your claim.

The documentation must show:

- ✓ The name of the provider;
- ✓ The date or range of dates of parking, travel, or payment. You may not claim expenses for more than one month on one line;
- ✓ A description of the service provided (for example, "April 2017 parking" or "May 2017 bus fare"); and
- ✓ The cost of the service or the amount paid.

**Costs to Participate:** If you enroll in the mass transit program and are receiving vouchers in the mail or do not sign up for direct deposit, you will be assessed a fee of \$4.00 per pay month. If you are not receiving vouchers in the mail and are signed up to receive reimbursements via direct deposit, you will be assessed a per month fee of \$2.80.

\* Federal Maximums are subject to change. Please call ASI at 800-659-3035 with any questions.

# MISSOURI STATE EMPLOYEES' CAFETERIA PLAN

## Important Points!

1. **HSA and HCFSA** – MCHCP, the Department of Conservation, and MoDOT all currently offer a high deductible health insurance plan (HDHP). In order to qualify for the HDHP, you must also establish a Health Savings Account (HSA). MCHCP, Conservation or MoDOT will make contributions to the employee's associated HSA. Federal regulations do not allow contributions to an HSA if you have any non-exempt coverage. The Health Care flexible spending account (HCFSA) is non-exempt coverage. Therefore, you cannot enroll in both the HDHP and the HCFSA. **However, you may enroll in the HSA and the Dental & Vision Care FSA (explained in #2 below and on page 15).**

*Also please note that if you are currently enrolled in the HCFSA, your balance in the HCFSA must be \$0 on or before December 31, 2016. So, please file your claims early to ensure that Central/ASI has sufficient time to process and pay your claims before December 31, 2016.*

2. **Dental & Vision Care FSA (previously known as the Limited Scope Health Care FSA)** – The State offers a Dental & Vision Care FSA that can be used in conjunction with a Health Savings Account. The Dental & Vision Care FSA can only be used for dental and vision expenses. So, be sure that you plan appropriately. *NOTE: This flexible spending account (FSA) plan is not dental or vision insurance.*
3. **Maximum Limit for the Health Care FSA and the Dental & Vision Care FSA** – You may elect up to \$2,550 as your annual maximum for these accounts. This maximum limit is a per employee limit. So, your spouse may also elect up to \$2,550 if eligible for a health care FSA through his/her employer (even if he/she is also employed by the State).
4. **Over-the-counter Medicines** - You must also provide a copy of a prescription from your doctor for any over-the-counter medicines you wish to claim. This is for medicines only (e.g., allergy medication, aspirin, antacids, etc.). Other over-the-counter items (e.g., contact lens solution, bandages, etc.) still remain eligible without a prescription.
5. **Eligible Dependents** - Under the health care FSA, you may include qualified expenses for your child(ren) who will not reach age 27 on or before December 31, 2017. Your child does not need to live with you in order for you to claim his/her health, dental and vision expenses that you have incurred on his/her behalf. Please see IRS Notice 2010-38 for further information.
6. **“Opt Out”** - All eligible State-sponsored insurance premiums will be deducted pre-tax from your paycheck unless you actively opt-out of the program. By changing the Plan from “opt-in” to “opt-out”, the State has made it much easier for employees to reduce the amount of income and Social Security taxes withheld from the employee's check each pay period.

If you would rather pay taxes on the insurance premiums that come out of your paycheck, **you must “opt out” during open enrollment each year** by indicating “Cancel Pre-tax” on an enrollment form or by using the on-line enrollment system to “Cancel Pre-tax.”

Eligible insurance premiums include your share of the cost of State sponsored health, dental and/or vision insurance premiums including premiums for MCHCP, MoDot, MO Department of Conservation, Highway Patrol, or University sponsored coverage.

This change **does not** affect the flexible spending accounts (Health Care FSA, Dental & Vision Care FSA and the Dependent Care FSA). You *must enroll each year* during open enrollment in order to participate in these accounts!

**New employees** have 31 days to enroll in or to “opt out” of the Cafeteria Plan. All new employees must complete this process using the Statewide Employee Benefit Enrollment System (SEBES), found online at <https://www.sebes.mo.gov>.

## HIGHLIGHTS

### ELIGIBILITY

All employees are eligible to participate in the Dependent Care Flexible Spending Account portion of the Cafeteria Plan. Only employees who are eligible for employer-sponsored health insurance are eligible for the remaining portions of the Cafeteria Plan: Premium Only Participation (POP), Health Care Flexible Spending Account, Dental & Vision Care Flexible Spending Account, and Health Savings Account (HSA) Contributions.

### ELECTING PRE-TAX

The **MOcafe** plan year is January 1 through December 31<sup>st</sup>. Open Enrollment is held from October 1 through December 1. **To participate in a Flexible Spending Account (FSA), you must enroll during open enrollment each year for the upcoming calendar year.** You may also be eligible to enroll mid-year if you experience a qualifying Change in Status event. The Health Care and Dependent Care FSA have slightly different rules regarding making an election change or enrolling mid-year.

- A new employee must use SEBES (<https://www.sebes.mo.gov>) within 31 days of his/her hire date to make **MOcafe** elections including “opt out.”
- Coverage for mid-year new-hire elections will be effective on the first day of the month following approval of the election.
- You may also make future changes to your account within 60 days of any qualifying Change in Status event.
- An employee who enrolls or changes his/her election should only include reimbursable expenses for *services received* from the coverage effective date through the end of the next grace period (March 15<sup>th</sup>). If you leave employment with the State, then your coverage will end sooner than December 31.

**During Open Enrollment (October 1 through December 1), you may enroll on-line or on paper. You do not need to complete both. Sign on to [www.mocafe.com](http://www.mocafe.com); then click on “Enrollment” to enroll on the Internet. You may also be able to enroll through MCHCP’s enrollment site (<https://my.mchcp.org>). **New hires must enroll in all current year benefit programs using SEBES (see New Hires section below).****

An email election acknowledgement will be sent to you if you provide your email address. Participants who elect the Health Care or Dependent Care FSA will receive an election confirmation, claim forms, and Internet access instructions prior to December 31, 2016.

### NEW HIRES

#### **New Employees:**

- New hires must enroll in all benefit programs using the Statewide Employee Benefit Enrollment System (SEBES) at <https://www.sebes.mo.gov>.
- You have 31 days from the date of your employment to enroll in or “opt out” of the Cafeteria Plan.
- **NOTE IF YOU ARE HIRED WITHIN THE LAST 4 MONTHS OF THE YEAR:** Please keep in mind that when you enroll through the SEBES website that you are only enrolling for the current plan year. You must still enroll for the upcoming plan year through the normal open enrollment process. This may be accomplished by enrolling online or on paper (see section above).

### COVERAGE DATES

#### **Start of coverage:**

- January 1, 2017 for participants who make an election during open enrollment
- The first of the month after the election is approved by **MOcafe** for all others

#### **End of coverage:**

- December 31, 2017 or the end of the month in which the last contribution from payroll was received under the Health Care FSA.

### Expenses must be incurred:

- Health Care FSA and Dental & Vision Care FSA expenses must have been incurred on or before the end of coverage.
- Dependent Care FSA expenses may be incurred through the end of the plan year.
- Grace Period Coverage: If you are still participating in the FSA at the end the plan year, then you may also continue to submit expenses incurred through the Grace Period (until March 15, 2018).

## PLAN ADMINISTRATOR

The State of Missouri has contracted with Central/ASI to process all claims for the Flexible Spending Account program. Contact Central/ASI if you have questions regarding claims, eligible expenses, or elections.

Central/ASI  
P. O. Box 858,  
Columbia, MO 65205-0858  
Phone: (800) 659-3035; Toll-Free Fax: 1-877-879-9038  
Email: [asi@asiflex.com](mailto:asi@asiflex.com)  
Web: [www.mocafe.com](http://www.mocafe.com)

## CLAIMS PROCESSING

- ◆ You can file claims with ASI's mobile app for your smartphone or tablet. Download the free app from any of the following: [mocafe.com](http://mocafe.com), the App Store for Apple devices, or the Google Play Store for Android devices.
- ◆ You can file claims online or forms are available to print at [www.mocafe.com](http://www.mocafe.com)
- ◆ Mail or fax claims to [Central/ASI](#)
- ◆ Claims typically processed within 1 business day (**starting February 1, 2017**)
- ◆ Direct deposit authorization – via online account settings or <http://www.mocafe.com/achformmo.doc>
- ◆ E-mail notification authorization – via online account settings or <http://www.mocafe.com/emailform.doc>
- ◆ On-line account activity - [www.mocafe.com](http://www.mocafe.com), click on Account Detail
- ◆ InfoLine/125: (800) 366-4827 (634-1333 from Jefferson City)
- ◆ **If a Health Care FSA or Dental & Vision FSA deduction is not taken in full on any paycheck, then no claims can be processed/paid until the missing deduction(s) are paid in full.**

**All FSA claims for calendar year 2017 must be filed by April 15<sup>th</sup>, 2018.**

## QUICK REFERENCE - BENEFITS

- Qualified Insurance Premiums**
  - Easy tax savings (basically a discount) on your cost for qualified payroll-deducted insurance plans
- Health Care FSA**
  - Save taxes on known, predictable costs of medical care during the plan year
- Dependent Care FSA**
  - Save taxes on costs of care and well-being for your dependents while you work

## FREQUENTLY ASKED QUESTIONS

### IF I REDIRECT (Pre-tax) PART OF MY PAY, WON'T I MAKE LESS MONEY?

No. By electing to direct a portion of your salary through the Plan, you essentially bank your money in a TAX-FREE account, which allows you to save money by reducing your taxes. For example, you purchase a prescription medicine and then claim reimbursement for the co-pay from your TAX-FREE account. You pay no taxes on this reimbursement, and your spendable income will increase by the amount of your tax savings.

### WHY SHOULD I PARTICIPATE IN THE HEALTH CARE FSA IF I ALREADY HAVE MEDICAL INSURANCE?

The Health Care FSA offers a tax break on medical care expenses **NOT** reimbursed by insurance. For example, deductibles, co-pays, coinsurance, expenses for office visits, eye exams, glasses, prescribed medicine, qualified over-the-counter medicine and hospital care.



## HOW MUCH DOES IT COST?

You pay a fee of **24 cents/month** if you choose to pay your insurance premiums pre-tax. You pay a small fee of **\$2.80/month** to participate in either one or more flexible spending accounts or **\$4.00/month** if you chose to receive your reimbursements by check instead of direct deposit. If you are enrolled in at least one of the FSAs, the 24 cent fee is waived.

## WHAT IF I DON'T USE ALL OF THE MONEY IN MY FSA ACCOUNT?

Central/ASI can help you estimate your allowable expenses for the calendar year. However, if you do have funds remaining in your account at the end of the year, you still have an additional 2 ½ months to incur expenses. If after the grace period, you still have funds remaining in your account or if you fail to claim incurred expenses on or before April 15, 2018, then you will forfeit that amount as required by the Plan. (Since you do not file claims with the cafeteria plan office for the insurance premium part of the plan (POP), there are no funds remaining at the end of the year and no forfeitures.)

## ARE THERE ANY NEGATIVES THAT I SHOULD KNOW ABOUT?

If you do not use all the money in your Health Care FSA, Dental & Vision Care FSA or Dependent Care FSA, **you will forfeit it**. Since you are reducing the amount of tax that you are paying, your Social Security benefit calculations will be based on your lower taxable earnings figures – the effects are usually very minor.

## WHAT IF I'M ALREADY IN THE PLAN?

Participation in the FSA accounts terminates at the end of each calendar year. **You must re-elect each year** to continue your participation.

**Participation in the insurance categories of the plan (POP) is automatic - No form is required unless you want to pay taxes on your insurance premiums – see “[Opt Out.](#)”**

## ARE THERE ANY RESTRICTIONS IF MY SPOUSE ALSO CONTRIBUTES THROUGH HIS or HER EMPLOYER'S FSA PLAN?

- The reimbursement limit for a Health Care FSA is established by *each* employer, so you may each contribute an amount up to *each respective* employer's plan limit (not to exceed \$2,550 for 2017). However, you may only claim reimbursement of each expense from one plan (not the same expense under both plans). The State of Missouri's plan limit is **\$2,550** for the Health Care FSA or the Dental & Vision Care FSA. If both you and your spouse are employed by the State of Missouri, you may each contribute up to \$2,550 per calendar year. **Federal regulations prohibit you from making contributions to an HSA if your spouse participates in a general purpose Health Care FSA.**
- The Dependent Care FSA deduction limit is a household limit established by the IRS. Therefore, you and your spouse may **together** elect not more than **\$5,000** per calendar year.

## WHEN CAN I MAKE CHANGES?

You can change benefits during open enrollment (prior to the start of each calendar year). Generally, **you will not be able to change your election** during the calendar year. However, if you plan well, that should not be a problem since you will only elect deductions equal to expenses that you know you will have.

You might be able to make a change under the following circumstances if...

1. You have a special enrollment right under [HIPAA](#);
2. You experience a [Change in Status event](#);
3. You are served with a [judgment, decree or court order](#);
4. You or someone in your family's entitlement to [Medicare](#) or Medicaid changes;
5. There is a change in the [cost of your insurance](#) with the State;
6. There is a [change in the coverage](#) provided by your insurance with the State or by the insurance your spouse or dependents have with their employer;
7. You go on [Family Medical Leave](#) or on military leave.

To make an eligible change during the calendar year, **contact [Central/ASI](#) within 60 days of a qualifying [Change in Status event](#) (31 days for new employees)**. Central/ASI may request proof of a qualifying Change in Status event. You will also need to complete the appropriate paperwork with the insurance plan to add/drop/change your insurance coverage.

Election changes to qualified payroll-deducted insurance premium payments are effective with the first required premium payment (first of the next month for new hires) after the event and the approval of the new election.



Election changes for the Health Care FSA, Dental & Vision Care FSA, and Dependent Care FSA are effective the first day of the month following Central/ASI's receipt and approval of the new election. (For example: You submit your FSA enrollment on February 2<sup>nd</sup>, your expenses starting on March 1<sup>st</sup> will be reimbursable and pre-tax deductions will start on paychecks issued in March.) In the case of birth, adoption, or the placement of child for adoption, the election change request becomes effective retroactive to the first of the month in which the event occurs. Any increase in the election amount designated by a participant may include only those expenses that the participant incurs on or after the effective date of the increase.

All election changes must be consistent with the qualifying [Change in Status event](#). **The only changes in status under which you can reduce your Health Care FSA or your Dental & Vision Care FSA election are legal marital status changes due to death, divorce, or annulment, or if there is a reduction in your number of dependents (as defined in section 152 of the Internal Revenue Code) due to death.** See also the information on [Family Medical Leave](#).

1. **HIPAA.** If a special enrollment right under HIPAA entitles you to enroll a dependent, your spouse, or yourself in the State's Health, Dental or Vision insurance, you can include the new premium in the Cafeteria Plan.

2. **Qualifying Change in Status events** are defined as any one of the following four (4) changes in status:

- a) Your legal marital status changes through marriage, divorce, death, or annulment.
- b) Your number of dependents changes by reason of birth, adoption (or placement for adoption), or death. If your child no longer qualifies for day care because he or she turned 13, then that is a loss of a dependent under the Dependent Care FSA, but not under any of the other categories.
- c) You have a change in employment status that affects eligibility under this plan.

If you terminate or take a leave of absence, you must be gone at least 31 days for the termination or leave of absence to qualify as a Change in Status. If your spouse or any of your dependents have an employment status change that affects eligibility under a plan maintained by your spouse's or any dependent's employer, then you may increase or add coverage under *this* plan if coverage is lost under the *other* employer's plan.

If participation terminates and then you return to employment within 31 days in the same calendar year, then your election will be reinstated as it was immediately prior to the termination of employment. If you return to employment after 31 days in the same calendar year, then you may make a new election for the remainder of the calendar year. You will not be able to be reimbursed for Health Care or Dependent Care expenses incurred during the termination period.

- d) One of your dependents satisfies or ceases to satisfy the requirements for coverage under one of the qualified insurance plans, Health Care FSA, or Dental & Vision Care FSA (decreases in the Health Care FSA or the Dental & Vision Care FSA are not allowed) for unmarried dependents due to attainment of age, student status, or any similar circumstances.

In addition, the Change in Status event must result in a gain or loss of eligibility for coverage under this plan or a plan maintained by your spouse's employer or one of your dependent's employers and your election modification must correspond with that gain or loss of coverage.

For example:

- You adopt a two-year-old child during the calendar year.
- Since your number of dependents changes due to the adoption, you experience a Change in Status event.
- Your child is now eligible for coverage under the State's insurance and Health Care FSA, Dental & Vision Care FSA and Dependent Care FSA.
- You would be allowed to increase the amount you set aside in the Health Care FSA, Dental & Vision Care FSA and Dependent Care FSA, or elect to participate in those plans if you are not already participating.
- However, you would not be able to decrease or drop any category because there was only a gain of eligibility, and not a loss of eligibility and a decrease does not correspond with the gain of eligibility.

3. A **judgment, decree, or court order** resulting from a divorce, annulment, or change in legal custody (including a qualified medical child support order) that requires health coverage for your child allows you to make an election

change to your State insurance or Health Care FSA or Dental & Vision Care FSA, to:

- a) Provide coverage for the child, if the order requires coverage under your plan; or,
- b) Cancel insurance coverage for the child, if the order requires your former spouse to provide coverage.

4. **Medicare and Medicaid.** If you, your spouse or a dependent becomes entitled to coverage (i.e., enrolled) under Medicare or Medicaid, other than coverage consisting solely of benefits under the program for distribution of pediatric vaccines, you may make an election change to your State Health, Dental or Vision Insurance to cancel coverage for the affected person. Likewise, if you, your spouse, or your dependent who has been entitled to such coverage under Medicare or Medicaid loses eligibility for such coverage, you may make an election change to commence or increase coverage under one or more of these same benefits.

5. A **change in your cost**, with no change in coverage, for one of the qualified insurance plans will result in an automatic election adjustment to match the change in the cost. If the premium amount significantly increases you may revoke an election as long as you pick up coverage under another health plan with similar coverage.

6. **Coverage Changes.** If the coverage under any of the Insurance plans is significantly curtailed or ceases during a period of coverage, you may revoke your election under the affected plan as long as you elect coverage under another plan providing similar coverage. Coverage under an accident or health plan is significantly curtailed only if there is an overall reduction in coverage provided to participants generally. For example, the loss of your primary care physician would not be a significant curtailment because it does not affect participants in general.

If the plan adds a **new benefit package option** or other coverage option (or eliminates an existing benefit package option or other coverage option) during the year and you are affected by this addition or elimination, you may elect the newly-added option (or elect another option if an option has been eliminated) prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage.

If you **change Dependent Care providers**, you may make an election change to reflect the cost of the new provider. School can be considered a new provider.

**Open enrollment for spouse or dependent's employer's plan.** If you make an election change to health, dental or vision insurance coverage under your spouse or dependent's employer during his or her open enrollment period (that is not for calendar year coverage) you may make a corresponding change under MoCafe.

**Enrollment in a Group Health Plan that offers Minimal Essential Coverage or in a Health Care Exchange or Marketplace.** 1) If your employment status changes and you are expected to work less than 30 hours of service per week (even if that change does not make you ineligible for employer group health plan coverage) and you enroll in a group health plan that offers minimal essential coverage with a new coverage effective date no later than the first day of the second month following the month that includes the date the original coverage is revoked, you may also make a corresponding change to the POP category under MoCafe. Such changes cannot be retroactive. 2) If you are eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace or you seek to enroll in a Marketplace during the Marketplace's annual open enrollment period and you enroll in the Marketplace with a new coverage effective date no later than the day immediately following the last day the original coverage is revoked, you may also make a corresponding change to the POP category under MoCafe. **Any such changes cannot be retroactive.**

7. If you take unpaid **Family Medical Leave (FMLA) or military leave** for more than 31 days, you may revoke an existing election under the qualified insurance plans or Health Care FSA or Dental & Vision Care FSA. You must revoke your Dependent Care FSA since you are not working. Upon returning from FMLA or military leave, you may choose to be reinstated in either benefit if such coverage was terminated during the FMLA or military leave. Such reinstatement will be on the same terms as prior to taking FMLA or military leave. You have no greater right to benefits for the remainder of the calendar year than an employee who has been continuously working during the calendar year.

If your coverage under the qualified insurance plans, the Health Care FSA, Dental & Vision Care FSA or Dependent Care FSA terminates while you are on FMLA or military leave, you will not be entitled to receive reimbursements for claims incurred during the period when the coverage is terminated. If you elect to be reinstated in a benefit upon return from FMLA or military leave your coverage for the remainder of the plan year is either equal to your election for the 12-month period of coverage, prorated for the period during the FMLA or military leave for which no contributions were made or the amount equal to your old per check deduction times the number of checks remaining in the plan year.

## QUALIFIED PAYROLL-DEDUCTED INSURANCE PREMIUMS

### Premium Only Participation: POP

Qualified insurance premiums include the State-sponsored health, dental, and vision insurance premiums that are payroll-deducted from your State paycheck. **No other insurance premiums qualify for pre-tax payroll deduction from your State payroll check.**

**Please note that you must keep the same insurance coverage for the entire year, unless you have a [Change in Status event](#), as explained in the previous section.** You will receive exactly the same insurance benefits, but the cafeteria plan puts the extra tax savings in your pocket each month. Participating in this category of the cafeteria plan can net you 25% savings on the dollar amount of each payroll deduction. Since you will not pay income tax on your insurance premiums, your take home pay will actually increase due to the tax savings that participation in the cafeteria plan allows. Note that you are NOT buying anything extra, you are NOT changing any of the insurance coverage you sign up for, and there is NO additional paperwork on your part to realize the savings.

#### Opt Out Feature

**All qualified payroll-deducted State-sponsored insurance will be automatically enrolled in *MOcafe*, to the extent you have qualified premiums, unless you opt-out of one or all of these categories by completing an on-line or paper election agreement during open enrollment each year.**

## HEALTH CARE FLEXIBLE SPENDING ACCOUNT

**You cannot participate in both the Health Care FSA and make contributions to or have contributions made to your HSA.** If you select the High Deductible Plan from MCHCP you may not participate in the Health Care FSA. Please note, however, that you may participate in the Dental & Vision Care FSA explained in the next section. If you participate in the Health Care FSA, then neither you nor your spouse should allow contributions to be made to an HSA. If your spouse participates in a Health Care FSA through his/her employer, then you risk significant tax penalties if you select the HDHP option. Please call Central/ASI if you have any questions regarding Health Care FSAs and how they work with HSAs.

***Please note: If you are currently enrolled in the HCFSA, your balance in the HCFSA must be \$0 on or before December 31, 2016 if you choose to enroll in the HSA for 2017. So, please file your claims early to ensure that Central/ASI has sufficient time to process and pay your claims before December 31, 2016.***

**Estimate your annual out-of-pocket health care expenses for you and your family.** You may include **medical expenses for any family member who is a dependent (without regard to income limitations) for federal tax purposes** (special rules apply to children of divorced parents), even if they are not covered under one of the health/dental/vision plans offered by the State. Include predictable expenses only. See page 5 for an important change regarding eligible dependents.

**Notice about eligible dependents:** You may include qualified expenses for your child(ren) who will not reach age 27 on or before December 31, 2017. Your child does not need to live with you in order for you to claim his/her health, dental and vision expenses that you have incurred on his/her behalf. Please see IRS Notice 2010-38 for further information.

**Elect participation in the Health Care FSA.** Enter your estimated medical care for the calendar year. (Deductions are generally taken out of all regular paychecks each month.) Contact your payroll/personnel representative if you need assistance.

**Incur medical care expenses.** A medical care expense is incurred on the date a service is provided or a product is purchased to create that expense. You must incur medical care expenses *before* you file a claim for those expenses. The expense must be incurred during your period of coverage for the Plan Year.

**File claims.** After you have incurred the medical care expenses and know the amount of your responsibility for the bill, you may submit a claim for those expenses to Central/ASI.

**Receive reimbursements.** Central/ASI will review your claim and any necessary supporting documentation. If approved, Central/ASI will reimburse you for the medical care expenses. Claim reimbursements are issued within one business day of receipt of your claim. **Claims are accepted starting January 1 but daily reimbursements don't start until February 1, 2017.**

**Some important points you should remember regarding the Health Care FSA are:**

- 1. Maximum Election:** You may include up to **\$2,550** worth of qualifying expenses each year -- but not more than your earned income.
- 2. Your annual election cannot be changed,** unless you experience a qualifying [Change in Status event](#).
- 3. You may include all medical, dental, hearing and vision expenses** not covered or not reimbursed by insurance which are **incurred** by you, your spouse, or your eligible dependents **during the start of your coverage and prior to March 15, 2018** for medical care as defined in Section 213(d) of the Internal Revenue Code. Please refer to the Qualifying [list](#) and IRS Publication 502 ([www.mocafe.com](http://www.mocafe.com)) for further details on qualifying expenses. Remember that expenses qualify under the Health Care FSA based on the **date incurred, not paid** as stated in Publication 502. **Federal regulations do not allow any insurance premiums or long-term care expenses to be included under the FSA.**
4. Medical care expenses are eligible for payment from the Plan based on when **incurred**, not when paid. An expense is **incurred** when you or one of your dependents is provided with medical care or purchases a qualifying product, and **not** when you are billed, are charged, or pay for the expense.
5. Allowable expenses must be incurred during the portion of the 2017 calendar year that you are a participant. **Claims for those expenses must be submitted to Central/ASI by April 15, 2018.** After that, your account will be closed and you will forfeit any balance remaining in accordance with federal regulations.
- 6. You must submit a completed claim form along with copies of invoices or statements** to serve as proof that you have incurred an allowable expense in order to receive payment. Statements are required to be **from the provider/store** stating the **date of service/purchase**, a **description of services/products**, the expense amount, the **name of the service provider/store** and the **person for whom the service was provided**.

For **over-the-counter items**, the receipt or documentation from the store must include the name of the drug printed **by the store** on the receipt. You must indicate the existing or imminent medical condition (items such as vitamins and nutritional supplements require a physician's statement) for which the item will be used on the receipt, on the claim form, or on a separate enclosed statement each time these items are claimed.

**You must have a prescription for all over-the-counter medicines** for which you seek reimbursement through the plan. A copy of the prescription must be sent along with your completed claim form and other documentation.

- Purchases for general good health will not be accepted.
- For items covered by insurance, copies of insurance explanations of benefits statements may be used instead of original physician bills if the date of service and charges are shown.
- Copies of receipts of payment, without the above, are not acceptable.
- Copies of personal checks are not acceptable.
- Documentation and/or copies will not be returned.
- You will be provided with a supply of claim forms with your enrollment confirmation.
- Extra claim forms are available on the web at [www.mocafe.com](http://www.mocafe.com) or by calling Central/ASI at (800) 659-3035.

**Orthodontic** expenses may be assumed to be incurred at the time a monthly payment is due and paid. These monthly payments must be spread out evenly over the expected period of orthodontic treatment. Therefore, claims submitted for orthodontic payments that meet the above are allowable.

- You may also submit a claim for a reasonable down payment of the orthodontic treatment if the down payment is made at the time the appliances are placed.
- Claims for payments made prior to being due or that otherwise do not meet the above requirements will not be processed.
- Claims for the entire fee paid at the beginning of treatment will not be processed, nor will claims for an entire year's payments made at the beginning of the year be processed.
- To claim orthodontic down payments, you must include a copy of the treatment contract and payment schedule along with proof of payment or a receipt of payment stating the date the braces were placed.

7. You will be paid the full amount of your claim or the balance of your annual election, whichever is less, whenever you file a qualifying claim. Payment under the Health Care FSA is not limited to the amount in your account at the time of your claim. Your monthly contributions will continue for the full calendar year.

8. **Claim reimbursements** will be made by **direct deposit** into the bank account of your choice. A notice that a payment was made is available by **e-mail**. InfoLine/125 and [www.mocafe.com](http://www.mocafe.com) are available 24x7 to check on reimbursements or your remaining balance.

9. **Participants on Family Medical Leave** or military leave are entitled to maintain coverage for the Health Care FSA. Coverage and claims reimbursement will not be disrupted as long as monthly contributions are received (either by payroll deduction or by direct payment to the Plan) by the end of each month. The participant must make arrangements, **before** going on leave, with their payroll/personnel representative for prepayment of contributions. Reimbursements will be discontinued if the contribution is not received by the end of any month. A participant who terminates coverage prior to going on Family Medical Leave or military leave may immediately reinstate coverage for qualifying expenses upon return to work. Such reinstatement of coverage and continuation of the original per check or annual election must be made within 60 days of returning to work.

## HEALTH CARE FSA EXPENSES

Only the portion of the expenses you owe after insurance payments can be claimed. **Qualifying expenses** are those expenses that are incurred by you, your spouse, or your eligible dependents **during the calendar year** for medical care as defined in Section 213(d) of the Internal Revenue Code, excluding all insurance premiums and long term care expenses.

Qualifying medical care expenses include amounts incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease, and for treatments affecting any part or function of the body. Refer to IRS Publication 502 for additional information ([www.mocafe.com](http://www.mocafe.com)). However, **expenses qualify** for the Health Care FSA **based on when incurred, not when paid**, and federal regulations do not allow any insurance premiums or long-term care expenses to be included under the FSA. Please contact [ASI](#) if you have a question on specific qualifying items.

### QUALIFYING EXPENSES – only a partial list

- |                         |  |   |
|-------------------------|--|---|
| ◆ Deductibles           | ◆ Prescription glasses                                       | ◆ Routine physicals   |
| ◆ Co-pays & Coinsurance | ◆ Contact lenses and solutions                               | ◆ Medical equipment (necessary for an existing medical condition) |
| ◆ Doctor fees           | ◆ Corrective eye surgery                                     | ◆ Hearing aids, including batteries                               |
| ◆ Chiropractor fees     | ◆ Drugs and medicines treating an existing medical condition | ◆ Transportation expenses related to illness                      |
| ◆ Dental expenses       | ◆ Orthodontics (braces)                                      |   |
| ◆ Vision care expenses  |  |   |

### NON-QUALIFYING EXPENSES – only a partial list

- ◆ Cosmetic procedures; e.g. face-lifts, skin peeling, teeth whitening, veneers, hair replacement, removal of spider veins. A cosmetic procedure to correct a birth defect or performed as a result of a disfiguring injury may qualify. Please enclose a note from your physician with the claim stating the existing medical condition and why the treatment is required.
- ◆ Non-prescription sunglasses or clip-on sunglasses.
- ◆ Expenses merely beneficial to your general health (e.g., vacations and vitamins).
- ◆ Herbs, vitamins and nutritional supplements not used to treat an existing physician-diagnosed condition.
- ◆ Special food even if purchased due to a medical condition unless the food treats the medical condition.
- ◆ The cost of a weight-loss program if the purpose of the weight control is to maintain your general good health.



## **NOTICE**

### **Women's Health Cancer Rights Act of 1998**

The Health Care FSA as required by the Women's Health and Cancer Rights Act of 1998, includes expenses for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Call ASI at (800) 659-3035 for more information.

### **Newborns' and Mothers' Health Protection Act of 1996**

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's nor newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

## **DENTAL & VISION CARE FLEXIBLE SPENDING ACCOUNT**

If you select the High Deductible Health Plan from MCHCP you may also participate in the Dental & Vision Care FSA (previously known as the Limited Scope Health Care FSA). If you participate in the Dental & Vision Care FSA, then you may allow contributions to be made to an HSA on your behalf. Please call Central/ASI if you have any questions regarding Dental & Vision Care FSAs.

**Estimate your annual out-of-pocket dental and vision care expenses for you and your family.** You may include **dental and vision expenses for *any* family member who is a dependent (without regard to income limitations) for federal tax purposes** (special rules apply to children of divorced parents), even if they are not covered under one of the health/dental/vision plans offered by the State. Include predictable expenses only. See page 5 for an important change regarding eligible dependents.

**Notice about eligible dependents:** Recent federal legislation made changes to eligibility of older dependents. You may now include qualified expenses for your child(ren) who will not reach age 27 on or before December 31, 2017. Your child does not need to live with you in order for you to claim his/her dental and vision expenses that you have incurred on his/her behalf. Please see IRS Notice 2010-38 for further information.

**Elect participation in the Dental & Vision Care FSA.** Enter your estimated dental and vision care for the plan year. (Deductions are generally taken out of all regular paychecks each month.) Contact your payroll/personnel representative if you need assistance.

**Incur dental or vision care expenses.** A dental or vision care expense is incurred on the date a service is provided or a product is purchased to create that expense. You must incur dental or vision care expenses *before* you file a claim for those expenses. The expense must be incurred between the start of your coverage and the end of your coverage. If you are still participating in the plan at the end of the year, then you may continue to incur expenses until March 15, 2018.

**File claims.** After you have incurred the medical care expenses and know the amount of your responsibility for the bill, you may submit a claim for those expenses to Central/ASI.

**Receive reimbursements.** Central/ASI will review your claim and any necessary supporting documentation. If approved, Central/ASI will reimburse you for the dental and/or vision care expenses. Claim reimbursements are issued within one business day of receipt of your claim. **Claims are accepted starting January 1 but daily reimbursements don't start until February 1, 2017.**

### **Some important points you should remember regarding the Dental & Vision Care FSA are:**

- 1. Maximum Election:** You may include up to **\$2,550** worth of qualifying expenses each year -- but not more than your earned income.
- 2. Your annual election cannot be changed,** unless you experience a qualifying [Change in Status event](#).
- 3. As long as you are participating in the plan, you may include all dental and vision expenses** not covered or not reimbursed by insurance which are **incurred** by you, your spouse, or your eligible dependents **during the start of your coverage and prior to March 15, 2018** for medical care as defined in Section 213(d) of the Internal Revenue Code. Please refer to the Qualifying [list](#) and IRS Publication 502 ([www.mocafe.com](http://www.mocafe.com)) for

further details on qualifying expenses. Remember that expenses qualify under the Dental & Vision Care FSA based on the **date incurred, not paid** as stated in Publication 502. **Federal regulations do not allow any insurance premiums or long-term care expenses to be included under the FSA.**

4. Expenses are eligible for payment from the Plan based on when **incurred**, not when paid. An expense is **incurred** when you or one of your dependents is provided with dental or vision care or purchases a qualifying product, and **not** when you are billed, are charged, or pay for the expense.
5. Allowable expenses must be incurred during the portion of the 2017 calendar year that you are a participant. **Claims for those expenses must be submitted to Central/ASI by April 15, 2018.** After that, your account will be closed and you will forfeit any balance remaining in accordance with federal regulations.
6. **You must submit a completed claim form along with copies of invoices or statements** to serve as proof that you have incurred an allowable expense in order to receive payment. Statements are required to be **from the provider/store** stating the **date of service/purchase**, a **description of services/products**, the expense **amount**, the **name of the service provider/store** and the **person for whom the service was provided**.

For **over-the-counter items**, the receipt or documentation from the store must include the name of the drug printed **by the store** on the receipt. You must indicate the existing or imminent dental or vision condition (items such as vitamins and nutritional supplements require a physician's statement) for which the item will be used on the receipt, on the claim form, or on a separate enclosed statement each time these items are claimed.

**You must have a prescription for all over-the-counter medicines** for which you seek reimbursement through the plan. A copy of the prescription must be sent along with your completed claim form and other documentation.

- Purchases for general good health will not be accepted.
- For items covered by insurance, copies of insurance explanations of benefits statements may be used instead of original physician bills if the date of service and charges are shown.
- Copies of receipts of payment, without the above, are not acceptable.
- Copies of personal checks are not acceptable.
- Documentation and/or copies will not be returned.
- You will be provided with a supply of claim forms with your enrollment confirmation.
- Extra claim forms are available on the web at [www.mocafe.com](http://www.mocafe.com) or by calling Central/ASI at (800) 659-3035.

**Orthodontic** expenses may be assumed to be incurred at the time a monthly payment is due and paid. These monthly payments must be spread out evenly over the expected period of orthodontic treatment. Therefore, claims submitted for orthodontic payments that meet the above are allowable.

- You may also submit a claim for a reasonable down payment of the orthodontic treatment if the down payment is made at the time the appliances are placed.
- Claims for payments made prior to being due or that otherwise do not meet the above requirements will not be processed.
- Claims for the entire fee paid at the beginning of treatment will not be processed, nor will claims for an entire year's payments made at the beginning of the year be processed.
- To claim orthodontic down payments, you must include a copy of the treatment contract and payment schedule along with proof of payment or a receipt of payment stating the date the braces were placed.

7. You will be paid the full amount of your claim or the balance of your annual election, whichever is less, whenever you file a qualifying claim. Payment under the Dental & Vision Care FSA is not limited to the amount in your account at the time of your claim. Your monthly contributions will continue for the full calendar year.
8. **Claim reimbursements** will be made by **direct deposit** into the bank account of your choice. A notice that a payment was made is available by **e-mail**. InfoLine/125 and [www.mocafe.com](http://www.mocafe.com) are available 24x7 to check on reimbursements or your remaining balance.
9. **Participants on Family Medical Leave** or military leave are entitled to maintain coverage for the Dental & Vision Care FSA. Coverage and claims reimbursement will not be disrupted as long as monthly contributions are



received (either by payroll deduction or by direct payment to the Plan) by the end of each month. The participant must make arrangements, **before** going on leave, with their payroll/personnel representative for prepayment of contributions. Reimbursements will be discontinued if the contribution is not received by the end of any month. A participant who terminates coverage prior to going on Family Medical Leave or military leave may immediately reinstate coverage for qualifying expenses upon return to work. Such reinstatement of coverage and continuation of the original per check or annual election must be made within 60 days of returning to work.

## **DENTAL & VISION CARE FSA EXPENSES**

Only the portion of the expenses you owe after insurance payments can be claimed. **Qualifying expenses** are those expenses that are incurred by you, your spouse, or your eligible dependents **during the calendar year** for medical care as defined in Section 213(d) of the Internal Revenue Code and limited to those expenses related to vision and dental care, excluding all insurance premiums and long term care expenses.

Qualifying dental and vision care expenses include amounts incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease, and for treatments affecting any dental or vision health. Refer to IRS Publication 502 for additional information ([www.mocafe.com](http://www.mocafe.com)). However, **expenses qualify** for the Dental & Vision Care FSA **based on when incurred, not when paid**, and federal regulations do not allow any insurance premiums or long-term care expenses to be included under the FSA. Please contact [ASI](#) if you have a question on specific qualifying items.

### **QUALIFYING EXPENSES – only a partial list**

- |                        |                                |   |
|------------------------|--------------------------------|---|
| ◆ Deductibles          | ◆ Prescription glasses         | ◆ Medicines treating a dental or vision condition |
| ◆ Coinsurance          | ◆ Contact lenses and solutions | ◆ Orthodontics (braces)                           |
| ◆ Dental expenses      | ◆ Corrective eye surgery       | ◆ Routine dental or eye exams                     |
| ◆ Vision care expenses |                                |   |

### **NON-QUALIFYING EXPENSES – only a partial list**

- ◆ Cosmetic procedures; e.g. teeth whitening and veneers. A cosmetic procedure to correct a birth defect or performed as a result of a disfiguring injury may qualify. Please enclose a note from your physician with the claim stating the existing medical condition and why the treatment is required.
- ◆ Non-prescription sunglasses or clip-on sunglasses

## DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

**Estimate your total dependent care expenses for the year.** Include predictable expenses only.

**Elect participation in the Dependent Care FSA.** Enter your estimated dependent care expenses. Divide your estimate by the number of deductions you will have taken during the calendar year. (Deductions are generally taken out of all regular paychecks of each month.) Contact your payroll/personnel representative if you need assistance.

**Receive dependent care services.** Dependent care expenses are incurred when the day care is provided **not** when you are billed or pay for the expense. You must receive the dependent care services before you file a claim for those services.

**File claims.** After you have received the dependent care services, you may submit a claim for those expenses to Central/ASI. Even if you have to pre-pay for dependent care, you must wait to file the claim until the end of the service period you are claiming.

**Receive reimbursements.** Central/ASI will review your claim, and if approved will reimburse you. Claim reimbursements are issued within one business day of the receipt of your claim up to the amount that you have on deposit in your account. If your claim exceeds your available funds, the difference will be recorded and paid as funds become available from your payroll contributions.

### **Some important points you should remember regarding the Dependent Care FSA are:**

1. This category is an alternative to taking a "Tax Credit" allowed with your tax filing each year. You may receive a tax break on your expenses, but you must choose whether to use the "Tax Credit" or the "FSA". The IRS will not allow you to receive two tax breaks on the same expenses.

**Child Care Credit:** The Dependent Care FSA is an alternative to taking a Tax Credit on your tax return. You may claim a tax credit equal to your dependent care expenses (up to \$6,000 per year for two or more dependents or \$3,000 per year for one dependent) multiplied by a percentage. The percentage decreases from a high of 35% to a low of 20% as your household adjusted gross income increases.

The Dependent Care FSA is limited to \$5,000 per year (for you and your spouse together), \$2,500 if married filing separately, for any number of dependents. You will experience "tax savings" throughout the year with every paycheck you receive. If you are subject to the 15% federal tax rate you will save approximately 25% of expenses through the Dependent Care FSA. If you pay a higher federal rate, you will receive an even higher tax break through the Dependent Care FSA.

***Generally those employees with a combined taxable income over \$31,000 or paying over \$3,000 for care for only one child will save more through the Dependent Care FSA.***

Please contact your tax advisor if you have questions about which is best for you. You must choose whether to use the Tax Credit or the Dependent Care FSA.

2. You and your spouse together may include **up to \$5,000** per year (**\$2,500** in the case of a married individual filing a separate tax return for the calendar year) or the lesser of your (after subtracting all FSA deductions) or your spouse's earned income for the calendar year. In the case of a spouse who is a full-time student at an educational institution or is physically or mentally incapable of caring for himself or herself, such spouse shall be deemed to have earned income of \$250 per month if you have one eligible dependent in dependent care and \$500 per month if you have two or more eligible dependents in dependent care.
3. You may include only those child/dependent care expenses that you incur in order for you and your spouse to be gainfully employed. Only expenses incurred for the care and well-being qualify for this tax break (education related sports camps, summer school and private school expenses, food and transportation do not qualify). **Child support payments are not allowable.** Day camp fees incurred in order for you to work are allowable but overnight camps are not. Please refer to [The section on Dependent Care FSA Expenses](#) and IRS Publication 503 for further details on qualifying expenses. You may link to this publication from the website at [www.mocafe.com](http://www.mocafe.com). Remember that expenses qualify under the Dependent Care FSA based on the **date incurred, not paid** as stated in Publication 503.

4. Expenses are eligible for payment from the plan based on when **incurred** not when paid. Expenses are **incurred** when your dependent is provided with the care that gives rise to the expense, and **not** when you are billed, charged for, or pay for the care.
5. **YOUR ANNUAL ELECTION CANNOT BE CHANGED**, unless you experience a [qualifying Change in Status](#).
6. Day care expenses are limited to care for children **under age 13**, for whom you have more than 50% custody, or for a relative, who is a dependent for tax purposes, who is physically or mentally incapable of caring for himself or herself and who lives in your home at least 8 hours each day.
7. The expenses may not be paid to your spouse, a child of yours (or your spouse's) who is under the age of 19 at the end of the year in which the expenses are incurred or to an individual for whom you or your spouse is entitled to a personal tax exemption as a dependent.
8. Reimbursable **expenses** must be **incurred** during the portion of the plan year (including the grace period) **after you become a participant. You must file claims** for expenses that you incurred during the plan year and/or grace period **by April 15** following the end of the calendar year. After that, your account will be closed and **you will forfeit any remaining balance** in accordance with federal regulations.
9. If you **terminate employment**, you may continue to file claims for qualifying expenses incurred during the same calendar year until you have been reimbursed the balance in your account. **You must file claims** for expenses that you incurred during the 2017 plan year **by April 15, 2018**.
10. **You must submit a completed claim form** along with **copies** of invoices or statements **from the provider** to serve as proof that you have incurred an allowable expense in order to receive payment. Statements are **required to include**, the **provider's name**, the **date(s) of service**, a **description of the services**, and the expense **amount**. Copies of personal checks and paid receipts, without the above information, are not acceptable. Documentation and/or copies will not be returned. You will be provided with a supply of claim forms with your election confirmation. Extra claim forms are available from the web site at [www.mocafe.com](http://www.mocafe.com) or by calling Central/ASI at (800) 659-3035. Instead of providing the above documentation, you may have the provider complete the dependent care section of the claim form and sign on the line provided. **The dependent care service period must be completed before you file a claim for those services.**
11. **Claim reimbursements** will be made by **direct deposit** into the bank account of your choice. A notice that a payment was made is available by **e-mail**. InfoLine/125 and [www.mocafe.com](http://www.mocafe.com) are available 24x7 to check on reimbursements or your remaining balance.
12. The tax identification (ID) number or Social Security Number of the child/dependent care provider should be listed on each of your claim forms and must be provided with your federal income tax return. Please check with your childcare provider (**before** enrolling in this category) to be sure that you are able to obtain their tax ID number or his/her Social Security Number.
13. **You are required to file Schedule 2** with your IRS Form 1040A or **Form 2441** with your IRS Form 1040 to support the amount redirected (pre-taxed) for the calendar year. Please note that this is for informational purposes. You will not pay taxes on the redirected amount. Claim reimbursements made to you under this category are not taxable, but the amount redirected will appear on your W-2 form. This will inform the IRS that you have received a tax break on that expense through the FSA.
14. Participants on leave (paid or unpaid) under **Family Medical Leave** are entitled to terminate coverage during the leave and reinstate coverage immediately on return to work. Such **reinstatement must be made within 60 days of returning to work.**

## ***DEPENDENT CARE FSA EXPENSES***

### **QUALIFYING EXPENSES – partial list only**

Expenses must be necessary for you (and your spouse if you are married) to work

- ◆ Expenses for a dependent care center
- ◆ Expenses for a "babysitter"
- ◆ Expenses for care of a dependent under age 13
- ◆ Expenses for care of a dependent who is physically or mentally incapable of caring for herself or himself

### **NON-QUALIFYING EXPENSES – partial list only**

- ◆ Care while you are not working or looking for work
- ◆ Care for a child for whom you have 50% or less physical custody
- ◆ Care for a child age 13 or older who is not disabled
- ◆ Kindergarten
- ◆ Summer school
- ◆ Overnight camps
- ◆ Separately billed fees for food, transportation, activities, etc.
- ◆ Summer school education or enrichment
- ◆ Elder daycare for a dependent with gross income over the Federal exemption limit
- ◆ Nursing homes

## FLEXIBLE SPENDING ACCOUNT - CLAIM FILING REQUIREMENTS

**A statement from the independent provider of service showing all of the following must support each item claimed:**

- ◆ Name of the service provider/store,
- ◆ Person for whom the service was provided,
- ◆ Date(s) of service (not payment or billing date),
- ◆ Cost of service (not just the amount paid),
- ◆ General description of service/products.

**In addition to the above,** certain expenses have special documentation requirements:

- ◆ **Cosmetic procedures or medicines:** Generally do not qualify. However, an expense could qualify if purchased/incurred to correct a birth defect or a condition that is a result of an injury. See “note” below.
- ◆ **General good health items:** Exercise programs or equipment, weight loss drugs or programs, vitamins, etc. that are for better health do not qualify for reimbursement. See “note” below.
- ◆ **Massage therapy:** Only qualifies if treating an existing medical condition. See “note” below.
- ◆ **Medical equipment:** Only qualifies if treating an existing medical condition. See “note” below.
- ◆ **Orthodontics:** See [specifics](#).
- ◆ **Over-the-counter medicines & drugs:** See [specifics](#). Due to recent federal legislation, you must also submit a copy of a prescription from your doctor for over-the-counter medicines. The medical condition that is being treated must be stated for **each** item claimed. Vitamins, herbs and nutritional supplements require a diagnosed medical condition by a physician in a statement from that physician along with the list of items **necessary** for treating that condition. Go to [www.asiflex.com](http://www.asiflex.com) for more details.
- ◆ **Sperm or egg storage fees:** Generally do not qualify. However, if “temporary” and scheduled for use in the near future, they may qualify. Storage fees associated with undefined use in the future do not qualify.

**“Note”:** Requires a letter from a physician written within the previous 12 months, stating the nature of the medical condition, the specific equipment, service(s) or item(s) claimed and that it/they is/are essential to (or necessary for) treating that stated medical condition. Merely recommending an item is not sufficient.

**Caution: Not all statements you receive from your provider are acceptable to use for supporting documentation for a claim. Please be sure that the statements (receipts) you receive for a co-pay state that they are for a “co-pay” on the statement.**

**Claim Delivery Methods:** **1) Mobile App** – You may download ASI’s mobile app to your smartphone or tablet and use your device’s camera to capture and submit your documentation. You can download the free app from [mocafe.com](http://mocafe.com), the App Store for Apple devices, or the Google Play Store for Android devices. **2) Online** – You may also file your claim electronically by completing an online claim form. Just scan and attach your documentation. **3) Fax** – You may also fax claims to ASI toll-free at (877) 879-9038 (874-0425 in Columbia). Please fax a claim only one time. Notification that a fax was received should be available on the web under Account Detail by the end of the next business day. **4) Mail or Drop off** – Mail claims to PO Box 858, Columbia, MO 65205-0858 or drop claims off at 201 W. Broadway (Broadway Professional Park), Building 4, Columbia.

**Claims appeals:** You will receive written notice of any denied claims. You will have 30 days to file a written appeal of that specific claim denial with the claims office. The ASI claims office will provide you with a written notice of the resolution of this appeal within 60 days of the appeal.

**Top 5 reasons claims cannot be paid:**

1. The date of service is not on the documentation from the provider. “Balance forward” and “received on account” are not sufficient.
2. The employee does not submit documentation from the provider.
3. Faxed information is not legible or the fax machine cuts off part of a page.
4. The employee forgets to sign the claim form.
5. An expense is claimed twice or the employee faxes the same claim more than once.

## TAX SAVINGS EXAMPLE

By electing to direct a portion of your salary through the Cafeteria Plan, you essentially bank your money in a TAX-FREE account. The money is used to pay for expenses that would otherwise be paid out of your take-home pay. **This example shows how *MOcafe* could save this employee \$420 in taxes!**

	Without <b><i>MOcafe</i></b>	With <b><i>MOcafe</i></b>	Savings with <b><i>MOcafe</i></b>
Annual Compensation	\$30,000	\$30,000	
Tax Free Expenses	0	1,500	
Taxable Income	\$30,000	\$28,500	
Federal Tax (after \$5,000 exemptions)	6,250	5,830	\$420
Net Paycheck	\$23,750	\$22,670	
After Tax Expenses	1,500	0	
Actual Take Home Pay	\$22,250	\$22,670	<b>\$420</b>

**This person could reduce their taxes by \$420 by using *MOcafe*!!**

Savings will vary for each participant depending on variable information such as marital status, number of exemptions, and marginal tax bracket. Consult with your tax advisor to determine your actual potential savings.

## ELECTION INSTRUCTIONS

**During Open Enrollment**, you can make your elections on-line or on paper. You do not need to do both.

*Please remember that MCHCP's open enrollment is from October 1 to October 31 while the Missouri State Employees' Cafeteria Plan open enrollment period is from October 1 through December 1.*

If you wish to enroll on-line, you can enroll:

- 1) By using MoCafe's website: [www.mocafe.com](http://www.mocafe.com) and clicking on "Enrollment" or by signing into your account
- 2) By using MCHCP's website if you are eligible for MCHCP coverage: <https://my.mchcp.org>

If you wish to enroll using paper, please use the enrollment form on the back cover of this Enrollment Guide. After completing the form, please mail the form to Central/ASI, P.O. Box 858, Columbia, MO 65205-0858.

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**If you are a new employee and wish to enroll mid-year**, you must enroll through the SEBES enrollment site located at <https://www.sebes.mo.gov>



Missouri State Employees' Cafeteria Plan  
Election Agreement  
Plan Year 2017

**MOCafe**

**ATTN: New employees must enroll using SEBES (<https://www.sebes.mo.gov>).**

I wish to have my salary redirected from the first day of \_\_\_\_\_ through December 31, 2017 in each of the categories below. I am enrolling due to the following event: \_\_\_\_\_. This agreement is subject to the terms of the Missouri State Employees' Cafeteria Plan, Flexible Medical Benefits Plan, and/or Dependent Care Assistance Plan, and revokes any prior election under these plans.

Name \_\_\_\_\_  
(Last, First MI) \_\_\_\_\_ Social Security Number \_\_\_\_\_

Street \_\_\_\_\_

City, State, Zip \_\_\_\_\_ Agency/Org or University \_\_\_\_\_

Email address \_\_\_\_\_

**Section A: Premium Only Participation: POP**

If you select to cancel pre-tax insurance premiums, it will not cancel your coverage. It will, however, mean that you will pay Federal and State Income taxes, and FICA taxes on all insurance premiums. **If you leave these boxes blank, all of your qualified insurance premiums will automatically be deducted pre-tax, saving you 25% or more on these expenses.** Please note that there is a \$.24 per month administrative fee if you do not cancel the POP.

	<u>Cancel Pre-Tax*</u>		<u>Cancel Pre-Tax*</u>	<i>*Selecting "Cancel" does not cancel your insurance coverage or payment.</i>
Health (State-sponsored only)	<input type="checkbox"/>	Vision (State-sponsored only)	<input type="checkbox"/>	
Dental (State-sponsored only)	<input type="checkbox"/>			

**Section B: Flexible Spending Accounts: FSA** (Elections for all categories in this section will terminate at the end of each year unless you re-elect for the following year.)

Do not put insurance deductions here!

	<u>Deduct from each paycheck</u>	<u># of paychecks in 2017</u>	<u>Annual Amt.</u>
Health Care FSA	_____	_____	_____, _____
Dental & Vision Care FSA	_____	_____	_____, _____
Dependent Care FSA (Adult/child care)	_____	_____	_____, _____

**DIRECT DEPOSIT:** I authorize Central/ASI to credit my account number \_\_\_\_\_ with (name of bank) \_\_\_\_\_, routing number \_\_\_\_\_ with my FSA payments. This account is a \_\_\_\_\_ (checking, savings, money market) account. If necessary, Central/ASI may make deductions from my account for any payments credited to my account in error. Please attach a copy of a voided check. My administration fee will be **\$2.80** per month for Section A & B combined.

Send a notice of payment with each direct deposit to the email address listed above.  Do not send payment notices to me.

Send notices of account activity via text messages to my cell phone. Please be aware that standard texting charges may apply, depending upon your cell phone plan. My cell phone number is: \_\_\_\_\_ My mobile carrier is: \_\_\_\_\_

**CHECK:** I wish to have a check mailed to me for my FSA payments instead of direct deposit. My administration fee will be **\$4.00** per month for Sections A & B combined.

I have received the **MOCafe** Plan and Enrollment Guide and understand the benefits available to me as well as the other rights and obligations that I have under the Plan. I understand that during the above period, this agreement is irrevocable and cannot be changed except under special circumstances (see Change in Status Events) as outlined in the Plan and Enrollment Guide. I hereby agree to have my pay reduced by the amount(s) specified above. I also agree to pay the applicable administrative fees through payroll deduction. I understand that requests for reimbursement must be for eligible services/supplies incurred between the effective date of my participation in the Plan through the end of the Plan Year (inclusive of any applicable Grace Period) or the end of my coverage period if I terminate during the Plan Year. All reimbursement requests must be postmarked by April 15, 2018 in order to be reimbursed. I further understand that any unclaimed amount remaining in my flexible spending accounts after that date will be forfeited.

Employee's signature: \_\_\_\_\_ Date: \_\_\_\_\_