

HEALTH CARE FLEXIBLE SPENDING ACCOUNT



Helping you save money and manage your health care expenses with the convenience of a debit card.

A health care flexible spending account is an easy, convenient and smart way to plan – and save. Set aside pretax dollars, then use them to pay for eligible medical, dental, vision and pharmacy expenses throughout the year.

The health care flexible spending account (FSA) is a cost-effective and easy way to help you manage your health care expenses. You and your dependents do not have to participate in your employer's (or any other) health benefits program to participate in the FSA.

Tax advantages

You set aside pretax dollars to pay yourself back for eligible out-of-pocket (costs that your program doesn't cover, and that you're responsible for) medical expenses such as coinsurance, dental treatments, vision care expenses and prescription drugs. Since you're setting aside pretax dollars, you'll save money because less of your income is taxable.

It's easy

You will receive a debit card when you enroll in the health care FSA. You may use the card to pay for qualified medical, dental, vision and pharmacy expenses.

Estimate out-of-pocket expenses for yourself and your eligible dependents for the year. Your estimate should include the number of times you and your dependents usually see doctors and dentists in a year (annual checkups, dental cleanings, etc.). This estimate should also include any prescriptions you get filled on a regular basis, as well as any vision expenses your family may incur. You must also estimate what your medical, prescription, vision or dental programs cover and your payment responsibility under each program. This should help you determine your approximate expenses and how much to contribute to your health care FSA.

Following is a partial list of expenses that qualify as federal income tax deductions under Section 213(d) of the tax code. For a complete list, please visit **Cigna.com**.

› Acupuncture	› Hearing aids
› Ambulance services	› Lasik eye surgery
› Amounts above "maximum reimbursable charges"	› Medical aids
› Birth control pills and devices	› Prescription drugs
› Chiropractic services	› Psychiatric care
› Coinsurance amounts	› Smoking cessation programs
› Contact lenses and solutions	› Vaccines
› Crutches	› Vision care
› Deductibles	› Well baby care
› Dental and orthodontic services	› Wheelchairs and X-rays

Please note: You may not use the FSA for expenses for treatments or services received solely for cosmetic purposes or to benefit your general well-being.

Together, all the way.®



Payroll deduction

When you enroll, your FSA will be funded with the full dollar amount of your annual contribution. Your actual contribution will be deducted from each paycheck throughout the year. Remember, these deductions come from pretax earnings, reducing the amount of your taxable income.

Use your debit card or submit claims directly to your health care reimbursement account

In general, with the debit card you do not have to file any claims to your FSA.

You may use the card at any provider for qualified medical, pharmacy, dental and vision expenses. In many cases when you use the card, funds are automatically deducted from your FSA and you pay nothing out of your pocket at the time of service, as long as there is enough money in your FSA to pay for the charge.

You may also submit the debit card number to providers to pay for qualified charges.

The card may be used for qualified expenses only. *Please keep all itemized receipts and statements. You may be required to submit receipts to Cigna to document your debit card expenditures.*

Submitting a claim yourself

If you do not use your debit card, you must submit claims directly to your FSA to receive payment. In this instance, you will receive reimbursements from your FSA.

To submit a claim, complete and sign a health care FSA request form (available on the Cigna custom website for Prudential, under the link for claim forms, at www.cigna.com/prudential and include all documentation.

Cigna can accept the following types of documentation: Itemized receipts; invoices; claim statements; EOBs; or other proofs of payments. Cigna cannot accept: Bank card statements; cancelled checks; estimates of charges; balance due statements; or illegible documents. For ongoing expenses such as maintenance medications, the IRS requires a claim form for each expense.

To avoid delay, please complete all required fields on the health care reimbursement account request form and include all appropriate documentation. Mail the completed form and all documentation to the address on the form. If information or documentation is incomplete or missing, we will request it in writing.

Direct deposit

You may receive reimbursement for the FSA claims you submit yourself via direct deposit to your bank account. To enroll for this service, after January 1, visit myCigna.com and access this feature under the “accounts tab.”

You can also call **888.502.4462** for more information or instructions. It will take 20 days from the time of enrollment for your account to be set up and for direct deposits to be received.

Important considerations

- ▶ We recommend that you make sure any covered dependents meet the IRS definition of “dependent.” In simple terms, there are two key factors: The dependent must be living with you, and you must be paying more than half of your dependent’s support. If a covered person (including a domestic partner, civil union partner or same sex spouse) doesn’t meet this definition, you should not submit any claims for this dependent to your FSA. Payments issued from the FSA for this nonqualified individual will be subject to tax. For more information, please visit irs.gov.
- ▶ **Please save all itemized receipts.** Cigna may need supporting information, including receipts, to verify that the expense is eligible and complies with IRS rules. That’s why it’s important to save all receipts and fax or mail them promptly when you’re asked for them. If you use your debit card for certain expenses and do not submit proper receipts if required, the expenses are considered ineligible, and you’ll have to reimburse your account. You could also lose the tax-exempt status of your account and lose access to your debit card.
- ▶ You are eligible to receive the full amount of your FSA annual contribution for payment of qualified health care expenses even if payroll deductions have not yet reached your total contribution for the plan year.
- ▶ You must submit all plan year claims by June 30 of the following plan year.
- ▶ Remember, you lose what you do not use. The IRS requires that you forfeit unused account balances at the end of your claims period.
- ▶ Your employer will allow you to use FSA funds remaining at the end of the plan year to pay for claims incurred until March 15 of the following plan year.
- ▶ If you or your spouse are making contributions to a health savings account (HSA), you are not eligible to enroll in the FSA. However, you may enroll in a limited purpose FSA that can be used for reimbursement of eligible dental and vision care expenses. A limited purpose FSA cannot be used for reimbursement of medical expenses.

Staying informed is easy

Quarterly statements

Mailed directly to your home, these statements keep you aware of your account balance, disbursements and other important information.

Explanation of benefits (EOB)

After each transaction, you receive an explanation of benefits. The EOB shows payments made from your FSA, requests for payments that were denied, and the reasons for the denials.

Cigna custom website for Prudential

By logging in to www.cigna.com/prudential, you'll have direct access to FSA request forms and a link to myCigna.com.

myCigna.com

Once enrolled you will have online access to account information whenever you need it: Up-to-date balance information, claim status, past transactions and answers to general questions.



We're here to help.

Member Advocates are available to help you 24 hours a day, seven days a week. Call us at **888.502.4462**.



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