



# Frequently Asked Questions About the FSA Debit Card

## What is the debit card?

The debit card from UMR is a MasterCard® that gives you an easy, automatic way to pay for qualified health care expenses. The debit card lets you electronically access pretax contributions you set aside in your flexible spending accounts (FSAs).

## How does the debit card work?

It works like a MasterCard®, with the value of your account(s) contributions stored on it. Simply use your debit card when you incur qualified eligible expenses at a business that accepts MasterCard®. The amount of your qualified purchases will be automatically deducted from your account and the dollars will be electronically transferred to the provider/merchant for immediate payment.

## Is that all I have to do?

No. You must also remember to save all your itemized receipts and/or explanation of benefits (EOB) for all expenses paid from your FSA.

## Why do I need to save my receipts?

It's important that you save all itemized receipts. The IRS requires that all FSA reimbursements be substantiated. The debit card is designed to pay the merchant immediately without any supporting documentation from you. To remain compliant with the IRS regulations, UMR may need to request a copy of your itemized receipt to validate that the expense was eligible for reimbursement from your FSA. If a receipt cannot be provided to substantiate an expense, the transaction will be classified as an improper payment and your card privileges may be suspended. Please save all your itemized receipts.

## What happens if there is an improper payment?

UMR will request that the funds be returned to the flexible spending account in which the improper payment occurred. Participants may return funds made payable to UMR, PO Box 8022, Wausau, WI 54402, or, they can submit an eligible manual claim and UMR will use it to offset the improper expense. Participants can contact a UMR Customer First Representative to inquire about offsetting the improper expense.



## Is the debit card just like other MasterCard® cards?

The debit card is a special MasterCard®, but only for qualified expenses. There are no monthly bills and no finance charges.

## If asked, should I select "Debit" or "Credit?"

During the card activation process, you will be asked if you would like to select a personal identification number (PIN) for your card. You are not required to select/use a PIN and you cannot get cash with the debit card. If you choose to use the PIN option for transaction authorization, you should select the "Debit" option at the register. If you choose not to use a PIN, you should select the "Credit" option when authorizing a transaction using your signature. **BE SURE TO SAVE YOUR ITEMIZED DOCUMENTATION!**

## Are there places the debit card won't be accepted?

Yes. Examples include department stores, discount stores and grocery stores that don't have an Inventory Information Approval System (IIAS) implemented. The IIAS allows you to use your card for prescriptions and eligible over-the-counter (OTC) supplies and automatically substantiates them at the point of sale. Your card will decline at non-health care merchants that do not have an IIAS implemented. You may still patronize these merchants, but you will need to pay for your expenses by another means and submit a paper claim to UMR for reimbursement. Other examples of places in which the debit card cannot be used include, hardware stores, restaurants, bookstores, gas stations and home improvement stores.

## Are there any medical providers, where the card may not work?

Yes. Each provider is assigned a Merchant Category Code (MCC) by MasterCard®. The debit card will decline if the provider's MCC is not an approved health care, dental or vision provider MCC. An example could be counseling services. Not all counseling services are eligible for flexible spending dollars, so the MCC of a provider of counseling services would not be an approved MCC. This does not mean the expense is not eligible; however, you would need to pay by another means and submit a manual claim for reimbursement.

## Can I use the debit card for over-the-counter (OTC) medications and supplies?

Your debit card can be used to purchase eligible OTC supplies, however, per IRS regulations, OTC medications can no longer be purchased with the debit card. OTC medications now require a doctor's prescription to be eligible for reimbursement from an FSA. You may need to pay for OTC medications with another form of payment and submit a claim form with the itemized receipt and a copy of the prescription to UMR to request reimbursement.



### **Can I use the debit card for dependent care expenses?**

Maybe. Please refer to your plan document to verify if this is allowed by your employer. If it is allowed, you would be able to get up to your contribution balance at merchants who have a Merchant Category Code (MCC) for a daycare provider. If the provider's MCC code is not eligible, you would need to pay by another means and submit a manual claim for reimbursement.

### **What are some reasons my debit card might not work at the point of service?**

- Your card has not been activated
- You have insufficient funds remaining in your respective employee benefit account to cover the expense
- The merchant is encountering problems
- The non-health care merchant does not have the IIAS implemented
- You are attempting to use the card at a non-allowable merchant/provider

### **How many debit cards will I receive?**

You'll receive two debit cards, both in the employee's name. An eligible dependent can sign the back of the second card and use it for eligible expenses.

### **Do I need a new debit card each year?**

While it is important to spend all of the funds in your account each year, you should also keep your card for the next plan year. As long as you elect to participate in your FSA plan each year, your debit card will be loaded with your new annual election amount at the start of each plan year for up to five years.

### **What if I lose my debit card or need another one?**

You can request a replacement through your plan administrator, UMR.

### **What dollar amount is on my debit card?**

The dollar value on your card will be the amount you elected to contribute to your health care FSA during your benefits enrollment period. It's from that total dollar amount that eligible expenses will be deducted as you use your card or submit manual claims.





**Can I use the debit card if I receive a statement with a patient due balance for a medical service?**

Yes. As long as you have money in your account for the balance due, simply write the debit card number on your statement and send it back to the provider. The expense must be incurred during the plan year for which you are using the funds. Prior plan year expenses are considered improper and the funds will need to be returned to the plan.

**How do I know how much is in my account?**

You can visit your FSA Web site at [www.umar.com](http://www.umar.com) to view your account activity and current balance. Or, you can call UMR at the phone number on the back of your card to obtain your current balance. It's a good idea to know your account balance before you make a purchase with your debit card.

**What if I have an expense that is more than the amount left in my account?**

By checking your account balance often -- either online or by calling UMR at the phone number on the back of your card -- you will have a good idea of how much is available. When incurring an expense that is greater than what is remaining in your account, you can split the cost at the register. For example, tell the clerk you wish to use your debit card for the exact amount left in your account and then pay for the remaining balance separately. Alternatively, you may submit the qualified transaction manually via a claim form with the appropriate documentation to UMR.