

HR Concepts, LLC

"Your Third Party Administrator of Choice"

The IRS Receipt Submission Policy

We want to thank you for choosing to participate in your company's benefit plan administered by HR Concepts. In order for you to maximize your experience using your account, it is important for you to understand the **IRS rules surrounding the use of a debit card with a Flexible Spending Account**. This regulation allows you to use the VISA we provided to you, but requires you to submit your receipts for certain type of expenses. Keeping your receipts has always been a part of the law, however, now you may need to submit them to verify what was purchased with your card. There are some exceptions that enable you to **NOT** have to submit your receipts. These exceptions are:

- 1) If you use your card to pay for co pays, associated with your company's group health plan, for services or prescriptions, you will not have to send to us your receipts if the co pay matches the co pays set forth in your company sponsored health plan. You can charge up to 5 times the single co pay without having to verify your expense.
- 2) If you have a reoccurring expense and your charge will always be the **same** dollar amount, all you will need to do is submit your receipt with your claim form and let us know this will be a reoccurring expense and we will authorize the use of your card for this exact amount without the need to submit receipts for a period of time. From time to time we may contact you to reverify the expense.
- 3) If you shop at a merchant that has an Inventory Information Approval System (IIAS), your card will only work for eligible items. Every item these merchants sell is coded according to the IRS 213D list of eligible expenses. Since your card will only work for eligible items, you will not be required to submit your receipt. To see the latest list of participating merchants please refer to our website, www.hrconcepts.biz.

If you use your VISA and it does not fall into one of the above categories, you will be receiving a receipt notification by email or mail (if we do not have your email address). **Please call us and provide us with your current valid email address.** If you are notified to submit your receipts, mail or fax your receipts along with the letter we sent you requesting the receipts. **The IRS has made this a mandatory process, so please help us by sending in your receipts when requested.** Failure to submit the receipts may result in your card being turned off and the expense will need to be paid back into your account.

Thank you again for using HR Concepts as your administrator of choice. It is our pleasure in being able to provide you with exceptional customer service and the latest technology. If you have any additional questions, please don't hesitate to contact us!

Sincerely,

HR Concepts, LLC



Flex Plans • HSA's • Commuter Plans • HRA's • Dental Plans • COBRA

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