



Benefit Access Visa[®] Card Substantiation

- Pay for eligible expenses at the time of service
- Use the Benefit Access Visa[®] Card instead of filing a claim
- Keep your receipts and Explanation of Benefits (EOBs)



Your McGriff Insurance Services Benefit Access Visa[®] Card will help improve your cash flow, allowing you to pay your medical, prescription, dental and/or vision expense at the time of service, without having to file a claim and wait for reimbursement.

Internal Revenue Service (IRS) rules

The IRS has strict guidelines that require all flexible spending account (FSA) transactions – even those made with the Benefit Access Visa Card[®] – be substantiated, proving the purchase was for an eligible medical expense. (The IRS rules governing the substantiation requirements are detailed in Revenue Ruling 2003-43 and Notice 2006-69.)

The IRS, however, requires the card only be used for eligible expenses and that participants save original, itemized receipts for every expense transaction. If you're audited by the IRS, you will need these documents to confirm the expenses were eligible.

Why does the IRS have these rules? Isn't it my money?

Yes, the money you put into your FSA is your money to be used for eligible expenses. To receive this money without paying taxes, you must follow the IRS rules. The IRS says an FSA can only be used for IRS-determined eligible expenses. If you are unable to provide documentation that you used the card for an eligible expense, the IRS may consider your FSA reimbursements taxable, meaning you would be responsible for all taxes on the money contributed to your health FSA.

What does substantiation mean?

To substantiate means to prove or support something, confirming it is true or valid. With the McGriff Insurance Services Benefit Access Visa Card[®], substantiation means you must provide documentation, such as an Explanation of Benefits (EOB) from your insurance provider or an itemized receipt, to confirm your purchases were for an eligible expense.

Auto-substantiation

The IRS does allow auto-substantiation for transactions that can be substantiated electronically. The Benefit Access Visa Card[®] technology uses all the IRS-approved methods (e.g., Inventory Information Approval Systems [IIAS], copayment matching, recurring expense matching, etc.) to auto-substantiate transactions and reduce paperwork for cardholders. Not all card expenses can be auto-substantiated. This is especially true for dental, chiropractic and medical expenses that do not match exactly to your company's health or dental plans.

(continued)



Benefit Access Visa® Card Substantiation

What happens if my transaction is not auto-substantiated?

For transactions that cannot be auto-substantiated, you will receive a letter or e-mail notification asking you to furnish an itemized receipt or other proof the McGriff Insurance Services Benefit Access Visa Card® was used for an eligible expense. Some of the more common instances in which you may receive a letter include:

- Medical expenses that do not match the copay amount of your employer's health insurance. Examples: X-rays, lab tests, medical equipment, expenses applied to your deductible, etc.
- When the employee or dependents are not covered by your employer's insurance plan.
- When the transaction is for a charge not associated with a copay amount, such as dental or vision expenses.

If, after the third follow-up letter request, documentation is not received to substantiate expenses, then IRS guidance requires your card be deactivated. Your card will be reactivated upon receipt of substantiation, submission of offsetting expense or repayment of the transaction. However, while your card is suspended, you may still submit requests for reimbursement for any expenses incurred during this time.

If a transaction is determined to be ineligible or if further documentation is required, additional notification will be sent.

McGriff Insurance Services offers participants the option of receiving the Benefit Access Visa Card® receipt requests by e-mail or by opting in to mobile text messages. If you take advantage of this added convenience, please be aware that e-mail requests will be sent from McGriff Insurance Services Benefit Access Visa Card® (McGriff@notifications.mcgriffinsurance.com.) Your spam filter may need to be adjusted to allow e-mails from this source.

What is an itemized receipt?

An itemized receipt must include all of the following:

- Merchant or provider name
- Services received or item purchased
- Date of service
- Amount of the expense

An insurance Explanation of Benefits is an excellent source for this information. Cancelled checks, handwritten receipts, cash register receipts or previous balance invoices cannot be used to verify an expense.

Ineligible items or services

The IRS does not allow reimbursement of certain items or services. Please check the eligible/ineligible listing at www.mcgriffinsurance.com/flex for guidance prior to purchasing. You also cannot use current plan year funds to pay for services incurred in the previous plan year.

Overpayment process

If the transaction was deemed ineligible or you are unable to supply the required documentation, the IRS requires the cardholder pay the money back into the benefit account. This repayment process may be accomplished by one of several methods:

- You may submit documentation for eligible expenses that have not previously been reimbursed by your FSA.
- Have the merchant or provider credit the amount back directly to your FSA.
- Send repayment by a personal check in the amount of the ineligible expense to McGriff Insurance Services. The repayment amount will be credited back to your FSA. Checks may be mailed to: McGriff Insurance Services, P.O. Box 6400, Greenville, SC 29606

After documentation is received, eligible transactions are substantiated or repayments have been made, your Benefit Access Visa Card® will be re-activated.

Insurance products are offered through McGriff Insurance Services, Inc., a subsidiary of Truist Insurance Holdings, Inc., are not a deposit, not FDIC insured, not guaranteed by the bank, not insured by any federal government agency, and may be subject to investment risk. McGriff Insurance Services and its representatives do not offer tax, legal or medical advice. Consult your tax, legal or medical professional regarding your individual circumstances.

© 2020, McGriff Insurance Services, Inc. All rights reserved.

