



USING THE CAREFLEX EXPRESS BENEFITS CARD

CareFlex Benefit Solutions
Phone: (888) 577-2762
Fax: (410) 414-8432
questions@careflex.com
www.careflexexpress.com

Settling Outstanding Previous Plan Year Expenses

DO NOT use your CareFlex Express Benefits Card to pay expenses for dates of service that occurred before the plan year start date. Claims are eligible for reimbursement based on the date of service, not the date of payment. The benefit card will pull funds from the current plan year only. If you participated in the previous plan year and receive a bill for a date of service that occurred in the previous plan year, pay the amount due with another form of payment and submit a paper claim to CareFlex to receive reimbursement from available funds remaining in your previous plan year account.

IRS Regulations

IRS regulations are in effect for grocery stores, discount stores, pharmacies and online pharmacies to have an Inventory Information Approval System (known as IIAS) or to be certified under the 90% Rule. These regulations prevent the purchase of ineligible items with health benefit cards. If a retailer is not IIAS or 90% certified, your benefit card will be denied.

An Inventory Information Approval System (IIAS) is technology used by retailers to ensure all benefit card transactions are eligible expenses under IRS regulations. Every item in the store's scanner database is flagged "yes" or "no" for plan eligibility. Note: no documentation will be required for verification of expenses purchased at a merchant with IIAS.

The 90% Rule certifies that at least 90% of gross sales in the prior tax year were for health eligible items. Note: documentation will be required to verify the expense.

What do the IRS regulations mean to participants?

Health care, dental, or vision provider offices: Your CareFlex Express Benefits Card will continue to be accepted the same as it has in the past. Participants may be required to send in documentation to substantiate their purchases in accordance with IRS regulations.

Merchants/Retailers: Following are the most common examples of merchants affected by IIAS regulations:

- Grocery Stores
- Discount Stores
- Pharmacies
- Department Stores
- Warehouse Clubs
- Online/Mail Order Pharmacies

Each merchant is responsible to be IIAS or 90% certified by a third party organization in order to accept benefit cards. Neither CareFlex Benefit Solutions nor your employer is involved in the certification of merchants.

Certified Merchants: IRS eligible items can be charged to your CareFlex Express Benefits Card. Any items that are not IRS eligible will need to be paid for with another form of payment in a separate transaction. Participants must keep all receipts when they have used their CareFlex Express Benefits Card to provide to CareFlex and/or the IRS for review, if required. For example:

- You go to a certified grocery store or discount store and take cold medicine, aspirin, and laundry detergent to the checkout.
- You offer your CareFlex Express Benefits Card and swipe it.
- If there are available funds in your account, the amount of the eligible items (cold medicine and aspirin) will be deducted from your account. The transaction will automatically be approved.
- The clerk will ask for another form of payment for the laundry detergent (i.e., cash, check, credit or other debit card).

Non-Certified Merchants: Merchants without certification will no longer accept benefit cards, including the CareFlex Express Benefits Card. IRS eligible items can be purchased using another form of payment. Participants can then send in a manual request for reimbursement along with the appropriate documentation to be reimbursed from available funds for their purchase.

A complete listing of compliant merchants is provided on www.careflexexpress.com and on the Participant Portal under Download Forms. The lists are subject to change as merchants become compliant, so please check for updates.