

Flexible Benefits Guide 2009-10



Flexible Benefits Guide

Welcome to MGM Benefits Group, Section 125 Plans!

With over 30 years experience in the employee benefits administration, MGM Benefits Group has partnered with your employer to bring you a state of the arts flexible benefits plan.

We've enhanced our website to bring you the best advancements in flex administration. Now you can go to your own participant website to:

- ▶ Create your own account password. You can also re-set your own password in case you forget!
- ▶ File claims online
- ▶ Create your direct deposit accounts
- ▶ Receive emails regarding information required to process your claims
- ▶ Download our Health FSA, Dependent Care FSA claim forms, status change and deposit forms.

We encourage you to review the information in this guide so you can make informed decisions about using the funds in your account for you and your family.

Contact Us:

Benefit counselors are available to assist you from 8 a.m. to 5:30 p.m. Central Standard Time, Monday through Thursday and 8 a.m. to 2:00 p.m. on Fridays.

Mail Claims: MGM Benefits Group
2121 N. Glenville Drive
Richardson, TX 75082

Contact Phone: (800) 833-4028

Fax Claims: (800) 973-3702

Website: www.mgmflex.com

Questions: flexSupport@mgmbenefits.com



Flexible Benefits Guide



MGM Benefits Group Section 125 Plan

A Section 125 Plan is a part of the Internal Revenue Code that allows employees to convert a taxable cash benefit (salary) into non-taxable benefits. You may choose to pay for benefit premiums and other qualified expenses before any taxes are deducted from your paycheck.

How the Plan Works

Under Section 125, your employers Plan may offer the option to include the premium cost for your employee benefit plans. You may pay the premiums pre-tax for your medical, dental, cancer and vision insurances. Your plan may also offer flexible spending accounts for your health care and dependent care needs.



Flexible Spending Accounts

A Flexible Spending Account (FSA) is a special account for healthcare and dependent care expenses. When you enroll in an FSA, you decide how much to contribute to each account for the entire Plan Year. This annual contribution is then deducted in equal amounts from your paycheck, before Federal & State income taxes and FICA taxes are deducted.



These “pre-taxed” funds are automatically deposited in your account through payroll deduction. Unless you have a qualifying event under Section 125 regulations, your election amount will not change during the Plan year.

FSA's

MGM Benefits Group Section 125 Plan



Using Your Flexible Spending Account

Your employer may offer one or both Flexible Spending Accounts: Health FSA and/or Dependent Care FSA. Although you can choose to participate in both accounts, funds may not be co-mingled. Expenses for these accounts must be incurred **during your employer's plan year.**

Expenses for the funds in your flex account must be *incurred* by the end of the plan year or they will be subject to the ***"use it or lose it"*** rules regulated by the Internal Revenue Service. Based **on your Employer's flexible benefits plan, you have a specified** date following the end of the plan year to submit your receipts for reimbursement. All funds still remaining in your account will be forfeited after this claim period ends.

Please check with the Plan Administrator at your employment to verify the last date that you may file claims for your reimbursement expenses.



Health Care *flexible spending account*

Eligible Health Expenses

The Health Care FSA is a tax-free account that allows you to pay for essential health care expenses that are not covered, or are partially covered, by your medical, dental and vision insurance plans.

These expenses may be incurred by you or your eligible dependents. Expenses include deductibles, co-insurance payments, office co-pays, orthodontics, glasses and contacts. The item must not be used for general health or cosmetic purposes. **Once enrolled in FSA's the money is available** to you on the first day of the plan. You must spend the funds by the end of the plan year or they will be forfeited from your account.



Orthodontic Expenses



IRS stipulates how orthodontic expenses can be reimbursed in a health care FSA. You should carefully plan when deciding on your annual election if it includes orthodontic expenses.

Special planning should be considered if you are planning to take advantage of an up-front discount payment. Please remember, services must be performed and incurred within the current plan year. Reimbursement of a lump sum payment to a dentist may not be eligible if any of the services will be performed in a subsequent plan year.

Health Care *flexible spending account*

Eligible Health Care Expenses



Partial List of Medically Necessary Items



Non-eligible items

Cosmetic surgery/Procedures
Dietary supplements (*vitamins*)
Electrolysis
Exercise or health club memberships
Insurance premiums
Personal care items
Physical therapy for general well being
Smoking cessation programs
Teeth whitening/Bleaching
Weight reduction (*fees, programs & food*)

Dental Services	Oxygen equipment
Crowns & Bridges	Prosthesis
Dentures	Wheelchair
Exams/Teeth cleaning	Medical Services & Providers
Extractions	Acupuncture
Fillings	Anesthetist
Implants	Chiropractic care
Oral surgery	Hospital services
Orthodontia/Braces	Immunizations & Vaccinations
Insurance	Injections and vaccinations
Co-pays	Nursing Services
Deductibles	Physical therapy
Medications	Operating room fees
Contraceptives	Optometrist/Ophthalmologist fees
Drugs (<i>prescriptions</i>)	Organ transplant
Insulin treatment	Specialty physicians & surgeons
Over-the-Counter items	Sterilization
Smoking cessation products	Surgery
Laboratory Fees & Tests	Transportation to medical care
Blood tests & transfusions	Transplants
Diagnostic tests/health screenings	Obstetric Services
Lab fees	OB/GYN Exams & treatment
X-rays	OB/GYN Prepaid Maternity fees
Medical Equipment & Supplies	Vision Services
Ambulance service	Contact lenses (<i>corrective</i>) & supplies
Crutches	Eye exams
Guide dog	Eyeglasses & Sunglasses (<i>corrective</i>)
Hearing aids and batteries	Laser eye surgery

Some items may require the submission of a Doctor's certification stating the nature of medical condition and required treatment

Health *flexible spending account*

Over-the-Counter Items



The IRS allows that some over the counter (OTC) drugs and medications which are used to treat sickness may be reimbursed by Health Care Flexible Spending Accounts.

Eligible expenses include medicines or products that alleviate or treat personal injuries or illness for you and your dependents. **For most OTC's, you are not required to provide a statement** from a medical provider or indicate a diagnosis in order to receive reimbursement.

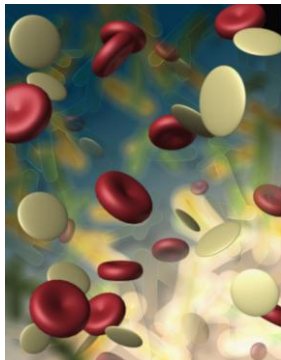
Receipts for reimbursement must state the place of purchase, date, amount, item name, and can be claimed within reasonable quantities. We recommend that you retain copies of all OTC receipts for your records.

There are some medical items that may not be allowed unless you are diagnosed by a medical professional for a specific medical condition. Treatment for eligible expenses cannot be for preventative purposes.

Items purchased for personal care are not eligible for reimbursement. For example, toothpaste, vitamins, supplements and herbal remedies, and other items used for personal hygiene cannot be claimed for reimbursement.

Health Care *flexible spending account*

Over The Counter Items



Partial List of **OTC's**

Allergy

- Antihistamines
- Nasal sprays

Antacids

- Heartburn medicines

Cold Remedies

- Cough drops
- Decongestants

Nasal strips

Nasal sprays

Sinus Medications

Throat lozenges

Pain Relief

Bug bite medication

Fever reducers

First aid creams (*diaper, fever*)

Products for pain & cramp relief

Products for muscle or joint pain

Special ointments or sunburn

Topical creams

Other Items for Medical Care

Anti-diarrheas

Anti-fungals

Antibiotics

Asthma medications

Bandages, gauze, rubbing alcohol

Carpal tunnel wrist

Cold/hot packs for

Contact lens drops & cleaning

Eye products (reading)

First aid kits

Hemorrhoid treatments

Laxatives

Motion sickness treatments

Smoking cessation products

Thermometers

Wart removers



Non-eligible items

Cosmetics

Toiletries

Personal hygiene/care items

Items used to promote general health

& well being

Weight loss drugs



Dependent Care *flexible spending account*

Eligible DCAP Expenses



The Dependent Care Assistance account allows you to pay for “*employment related expenses*” that enable you and your spouse to be gainfully employed, seek employment, and/or be a fulltime student. In general, expenses must be for the “care” of a qualifying individual. Reimbursement may also include eligible expenses for children or elder dependents that rely on you for their care.

Some examples of eligible expenses include:

- ▶ care in and outside the home
- ▶ child-care/dependent care centers
- ▶ before and after school care
- ▶ nursery school and preschool expenses
- ▶ preschool tuition
- ▶ day care camps and facilities (*only for “care” and not primarily for educational purposes*)

Expenses for services provided outside the **employee’s home** by a dependent care centers must comply with state and local laws. Your care provider must report day care income on their taxes to be considered as eligible.

Dependent Care FSA must be for children under 13 years of age, unless they meet the qualifications of physically or mentally incapable of self-care.



Dependent Care *flexible spending account*

Ineligible Expenses

The following items are examples of expenses that are generally considered as ineligible for reimbursement under a Dependent Care FSA:

- ▶ Educational expenses, except where an eligible child is in preschool or nursery school
- ▶ Field trips, clothing
- ▶ Late payment or finance charges
- ▶ Payments for lessons
- ▶ Tuition expenses
- ▶ Overnight camps
- ▶ Kindergarten expenses



DCAP Reimbursements

The total amount you choose to contribute should be based on your expected child and/or dependent care expenses during the plan year. A single parent, or employee that is married but filing separately is limited to \$2,500 for the Plan year. If your spouse has a dependent care account through their employment, the two accounts cannot exceed \$5,000 during a given plan year.

IRS guidelines require that the amount reimbursed to a participant must first be on deposit in their account. When your employer submits payroll funds to MGM Benefits Group, they are credited to your dependent care account. When a claim is filed for reimbursement, we first verify that there are adequate funds in the account to pay the entire claim. When sufficient funds are not available, participants are issued the maximum amount available in their account. The remainder of the reimbursement request is paid when additional funds are received through payroll deposits.

Participant Portal *website account*

Website Access

Our new MGM Flex system offers participants the ability to manage their own account information. On our new site, you can:

- ▶ Create your own password
- ▶ Access your account information by provider name, date and amount
- ▶ File your claims online
- ▶ Create your own direct deposit accounts

Once your enrollment in the Section 125 has been processed, you will receive an enrollment confirmation, along with an attached **document entitled “Next Steps”**. **Download this document from your email** for instructions on setting up your participant portal and to access account options.

Follow these steps to create your Participant Portal:

1. Open your web browser (e.g. MS Explorer) and go to the following website:

<http://mgmflex.com>

2. Click on the participants Login. Both the username and password were sent to you via email with your enrollment confirmation.
3. The login for your username is:
 - ▶ The first initial of your first name
 - ▶ Your last name
 - ▶ The last 4 digits of your social security number

Example username: jdoe9999
(Be sure and not use spaces or commas)

4. The password is your last name and the last four digits of your social security number
Example password: doe9999

You will be prompted to create your own password (6 to 20 upper and lower characters with at least one number). If you forget or lose your password, you will need to reset it through the system. Please *be sure to record your password as MGM does not have access. If your password is lost or forgotten, you will need to re-set it on your participant portal.*

Participant Portal *Account View*

Sign in to your participant portal with your user name and password that you created for your account.

Home File Claims My Account Plans Forms

Welcome to Online Administration, Jane Sample 1

What would you like to do?

FILE CLAIMS
Allows you to submit claims for those plans you are currently enrolled in.

MY ACCOUNT
Where you go to view:
➤ [Account Balance](#)
➤ [Profile](#)
➤ [Payment History](#)

PLANS
Where you go to see plan descriptions and related documents.

FORMS
Where you go to download forms.

Home File Claims My Account Plans Forms

Account Balances

Plan	Effective Date	Eligible Amount	Submitted Claims	Paid	Pending	Denied	Plan Year Balance	Available Balance	
Medical Flex Account	9/1/2005	\$1,200.00	\$20.00	\$0.00	\$0.00	\$20.00	\$1,200.00	\$1,200.00	History
Health Reimbursement Account	9/1/2005	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00	\$3,000.00	History

My Account: You can view up-to-date account information at any time.

- Choose Account Balance to check the balances of any account. You can also check the claims history of any account by clicking the Claims History link.
- Select Profile to review your personal and dependent information that's on file in the system.
- Select Payment History to see a detail of the claims that have been paid. You can click View Detail for more information about any claim.

File Claims: You now have the option to file your claims online.

Plans: Your Pre-tax plan information is available at any time. To view this information, log on and click on the Plans tab.

Forms: You can download Pre-tax forms at any time. Log on and click on the Forms tab, and select the form you would like to download.

How to File Claims

You Have Options!

You may file your claims by one of the following methods:

1. If your employer offers the MGM Flex Visa Card: you may use your Card at the point of purchase towards qualified expenses. *Be sure to keep your receipts!* You may be required to submit them as proof of plan eligibility!
2. Online Claim Filing: File your claims online via our participant portal website. Instructions were attached to your enrollment confirmation **on the “Next Steps” document**. Be sure to submit receipts when filing claims online by fax or mail. *If you do not submit your claims and receipts after filing online, you will be sent a reminder to submit the information. Claims will be denied after a period of 14 consecutive days.*
3. Paper Claim Filing: You may also file claims using the paper form(s) available on the website **under the “Forms” tab, and attach required receipts according to IRS rules.**

Reminders:

Health Care Flexible Spending Claims:

- ▶ Your account balance is available for use on the first day of the plan year
- ▶ Funds remaining in your account that have not been spent, will be subject to the **“use it or lose it rules”**
- ▶ **Based on your Employer’s Plan rules, you will have a specified time period following the last day of your plan year to request reimbursement for expenses incurred, but not claimed, during the plan year**
- ▶ Some health care items may be eligible only if you are diagnosed by a medical professional for a specified medical condition. For these expenses, you will be asked to provide a copy of diagnosis and treatment from your physician.

No matter which option that you may choose for claim reimbursement, always be sure to keep your receipts.

Dependent Care Flexible Spending Claims:

- ▶ The MGM Flex Card does not accept charges for dependent care related expenses
- ▶ Claims may be filed by **Paper or “Manual” claims** or online through the Participant Portal website
- ▶ Funds must be available in dependent care accounts prior to reimbursement. IRS regulations do not allow pre-funding of DCAP accounts.

Introducing . . . *the MGM Visa Card*

The MGM Flex Card

The MGM Flex Card makes using your Health FSA quick and easy. Just swipe it as payment for your eligible expenses and the funds are automatically deducted from your account



If your Employer offers the MGM Flex Card, it is an automatic way to pay for qualified health care expenses. It is not a credit card, but can be used to pay for your eligible health flexible spending account (FSA) purchases. The card is similar to a Visa Card, and the value of the participant's annual contribution is loaded on it. The amount of the qualified purchases will be automatically deducted from the account.

The Card may be used for eligible flexible spending account (FSA) expenses as determined by Section 213(d) of the Internal Revenue code. You may use the Card for co-pays at hospitals, physician offices, dental offices, vision service locations and pharmacies, wherever they accept MasterCard® or Visa® debit cards for purchases. *Only eligible expenses that have been incurred during the current plan year and/or grace period can be claimed as eligible expenses.*

Over the counter products (OTC's) are eligible to purchase with the Card, but the items must be used for treating symptoms of injury and illness. Examples include: cold and allergy remedies, first aid supplies, pain remedies, etc. Personal care items are not eligible for Card use.

Here's how it works:

- Take your purchases to the register
- **Present your MGM Flex Card for payment and select the option for "credit"**
- The system will identify eligible **card purchase (prescriptions and OTC's)**
- Pay for your non-eligible items separately with another form of payment
- If the purchase is approved, the amount will be deducted from your card account balance.

You can also fill in your Card number on health related bills received from providers to pay on your account balance. *The card cannot be used to pay expenses that were incurred prior to your current Section 125 Plan year.*

Be sure and save all receipts for purchases made with the MGM Flex Card

Online Claim Filing

Logon to www.mgmflex.com

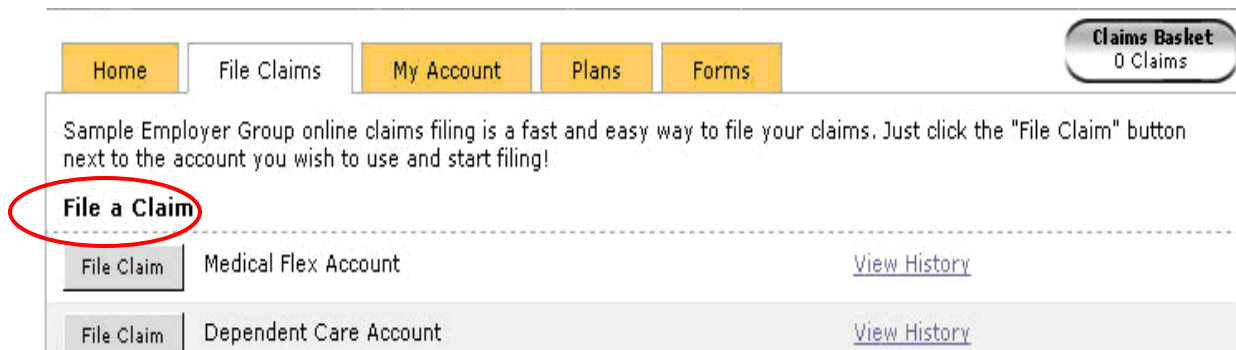
Participant Login
Home Page



1. Click the File Claims tab.



2. Click the File Claim button next to the plan you wish to file a claim for.



Online Claim Filing *continued*

3. Enter your claim information and submit the claim. Make sure you have valid receipt(s) for your expenses, as you will need to send these in.

Medical Flex Account

Please enter your claim information below. If all or part of your claim is not reimbursable due to auditing factors (i.e. claim exceeds available balance in your account), then you will only be reimbursed the approved amount. You will be notified of any pending or denied claim amounts.

Do you have a valid receipt for this product/service? Yes No [What is a valid receipt?](#)

Date of Service: (mm/dd/yyyy)

Please choose the category and type of product/service that best describes your claim. If you choose "Other" or "Over-the-Counter Drugs," you must provide a description below.

Category: [Eligible Expenses](#)

Type of Product/Service:

Product/Service Description:

Product/Service Provider:

Person receiving Product/Service: Joe Sample
 Kid Joe Sample
 Mrs. Joe Sample

Claim Amount: \$

Did you drive to receive this product/service? Yes No [Claiming Mileage](#)
You may claim mileage expense for reimbursement.

Number of Miles:

Mileage Reimbursement:

Total Claim Amount:

4. If you have more than one claim you'd like to file, you may choose to Add a New Claim from your claim basket.

Claims Basket
1 Claims

	Date of Service	Plan	Type of Product/Service	Provider	Claim Amount	Approved Amount*	
<input type="button" value="Update"/>	3/7/2005	Medical Flex Account	Prescription medication co-pay/cost	Walgreen's Pharmacy	\$25.00	\$25.00	<input type="button" value="Remove"/>
Total:					\$25.00	\$25.00	

* The approved claim amount will be reimbursed based on your available balance. If a plan requires funds to be contributed prior to the reimbursement of claims, you will be reimbursed as funds become available in your plan account.

Terms and Conditions

I have read and agree to the [Terms and Conditions](#).

You must choose to SUBMIT this basket in order to send these claims for processing.

5. Once all claims are entered, you must agree to the Terms & Conditions and submit the claim.

Online Claim Filing *continued*

6. Print the Confirmation Page. This is your verification that all claims have been successfully submitted!

Home | File Claims | My Account | Plans | Forms

Joe Sample
Sample Employer Group
Order Number: SAM050307100011000

You have successfully filed the claim(s) listed below.

Custom claim submission text goes here.

Receipt(s) Required - Print this Page:
Print this confirmation, attach the required receipts and **fax or mail to Sample Administrator** at one of the contacts listed below.

Fax: (952) 939-0990
Mail: P.O. Box 600
Hopkins, MN, 55343
Email: info@corphealthsys.com

If you are unable to print this confirmation:
Send your receipts with a note that includes (a) the name of the company you work for, (b) your name, and (c) the claim number(s) listed below.

Claim Number	Plan	Date of Service	Provider	Receipt Amount	Mileage Amount	Approved Amount*	Receipt Required
SAM05030710001100010	Medical Flex Account	3/7/2005	Walgreen's Pharmacy	\$25.00	\$0.00	\$25.00	Yes
SAM05030710001100011	Dependent Care Account	3/1/2005 - 3/4/2005	Kinder Care	\$200.00	\$0.00	\$200.00	Yes
Totals:				\$225.00	\$0.00	\$225.00	

* The approved claim amount will be reimbursed based on your available balance. If a plan requires funds to be contributed prior to the reimbursement of claims, you will be reimbursed as funds become available in your plan account.

Please send in the Required Receipt(s) listed above within 60 days. If we do not receive the receipt/s by this date, your reimbursement will be denied.

Remember, regardless of which (if any) receipts you are required to submit, you are responsible for retaining a copy of all receipts for three years in the event you or your Pre-tax Account plan are audited by the IRS.

Print Confirmation | Home | Logout

7. Attach the Confirmation Page with a copy of your receipt; fax or mail to MGM for processing.

Fax Number: (800) 973- 3702

Mailing Address: MGM Flex
2121 N. Glenville Drive
Richardson, TX 75082

Manual Claim Filing

Claim forms for Health flexible spending accounts and Dependent Care flexible spending accounts may be downloaded from the participant portal. Click the Forms tab and choose the applicable form for your expense.

- Complete the correct reimbursement claim form
- Submit an Explanation of Benefits (EOB) or your eligible receipts
- Make copies of your receipts and EOB
- Do not send your original receipts, but retain originals for your records
- An eligible receipt will have the following:
 - Provider name
 - Date of service
 - Description of service
 - Payment amount
 - **Sales receipts with totals “only” are not acceptable based on IRS guidelines**



- Submit your claim form and receipts by fax or mail to the address on the form
- Paper claims are processed and checks issued within 72 hours (on business days) after receipt of claims

Dependent Care Claims:

Dependent Care claims will only be reimbursed based on the funds available in the participant's account. Claims will not be pre-funded. For claims submitted that exceed the account balance, funds will be reimbursed as they are deposited to the account.