

YOU can make **MORE**
money this year...

with the
**Flexible Benefits
Plan!**

Take advantage of your company's

Flexible Benefits Plan

And take home more money.

Lockard & Williams



INSURANCE SERVICES, P.A.

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► Step I: Your Options

There are several accounts you can participate in with the Flexible Benefits Plan.

I. Healthcare Reimbursement Account

This account reimburses you for medical, dental & vision expenses not covered by insurance. You set aside money, tax-free, through regular payroll deductions. During the year, you can be reimbursed directly from your account for those qualified healthcare services provided they are not covered by insurance.

Common expenses that qualify for reimbursement are – doctor visits, deductibles, co-payments, prescriptions, dental services and orthodontics, chiropractor services, eye exams, glasses & contacts.

II. Dependent Care Reimbursement Account

This account reimburses you for daycare expenses for eligible children and adults. Through regular payroll deductions, you set aside part of your income to pay for these expenses on a tax-free basis.

To qualify, your dependent must be:

- A child under the age of 13, or
- A child, spouse or other dependent who is physically or Mentally incapable of self-care and spends at least 8 hours a day in your household.

Qualified expenses for reimbursement include – adult and child daycare centers, preschool and before/after school care.

Please note: A dependent care credit is available on your annual tax return. Whether or not to participate in the daycare portion of this plan depends on your income, filing status, number of dependents and annual daycare expenses. You will also receive your tax savings throughout the year, rather than once a year when you file your taxes. Contact your plan administrator for further information.

III. Additional Benefit

Your employer may have included benefits in addition to the programs described above. Your Human Resources Department will send notification, along with this enrollment brochure, if any such additional benefits are being offered at this time.

IV. Premium Savings Account

This account allows you to pay for your employer-provided health coverage and other insurance premiums with tax-free dollars. If you are covered under your employer's health and/or other insurance plans, you are automatically enrolled in this account! Be sure to let your employer know if you do not want your premiums paid tax-free.

► Step II: Determining Your Reimbursable Expenses

By completing the following information, you can calculate your annual reimbursement expenses. Take into consideration the services to be provided during the upcoming year for you and your dependents.

Healthcare Expenses

Medical (1)*

Deductibles \$ _____
 Co-payments \$ _____
 Doctor visits \$ _____
 Prescriptions \$ _____
 Other \$ _____
Total \$ _____

Dental (3)*

Routine Check-ups \$ _____
 Fillings/Crowns \$ _____
 Orthodontics \$ _____
 Other \$ _____
Total \$ _____

Dependent Daycare Expenses

Children \$ _____
 Adults \$ _____
Total \$ _____

Other Reimbursable Expenses **

Total \$ _____

Vision (2)

Exams \$ _____
 Eye Surgery \$ _____
 Lenses \$ _____
 Frames \$ _____
 Contacts \$ _____
 Solutions \$ _____
 Other \$ _____
Total \$ _____

Estimated Annual Expenses and Tax Savings

Total Healthcare Expenses (add 1 + 2 + 3) \$ _____
 Total Dependent Daycare Expenses \$ _____
 Total Other Reimbursable Expenses \$ _____
Total Expenses \$ _____
 Tax Bracket Percentage (see below) _____ %
Annual Tax Savings \$ _____
 (multiply total expenses by number of paychecks you receive each year - 52, 26, 24, 12)

Savings Amount Per Paycheck

\$ _____
 (divide total expenses by number of paychecks you receive each year - 52, 26, 24, 12)

Tax Estimate Table	
Based on a combination of social security, federal, and state income taxes	
If your annual household earnings are:	Estimated tax rate is:
Less than \$30,000	25%
\$30,000 to \$40,000	29%
\$40,000 to \$70,000	31%
Greater than \$70,000	33%

These tax rates are estimates based on national averages and may not reflect your actual tax rate.

* Cosmetic procedures like teeth bleaching and face lifts are not eligible expenses for reimbursement.

** An "Additional Benefit" may not be offered by your employer. Check with your Human Resources Department.

► Step III: Complete the Participation Form

Using the information you calculated in Step II, complete the attached Participation Form and return it to your Human Resources Department.

**Plan restrictions may apply. Check with your plan administrator.*

The following health care expenses qualify for reimbursement under a Flexible Spending Account (FSA) plan.*

Only health care expenses *not* reimbursed by insurance can be claimed. Prescription (Rx) required beginning 1/1/2011

Acupuncture (excluding remedies and treatments prescribed by acupuncturist)	Endodontist fees	Physician fees (cosmetic procedures not eligible)
Alcoholism treatment	Eyeglasses prescribed by your doctor	Podiatrist fees
Ambulance	Eye examination fees	Prescribed medicines
Artificial limbs/teeth	Eye surgery (cataracts, LASIK, etc.)	Psychiatric care
Chiropractors	Hearing devices and batteries	Psychologist and psychiatrist fees
Christian Science practitioner's fees	Home health care	Radiology
Contact lenses and solutions	Hospital bills	Routine physicals and other non-diagnostic services or treatments
Co-payments (doctor, dental, vision, pharmacy)	Insulin	Smoking cessation over-the-counter drugs (Rx)
Costs for physical or mental illness confinement	Laboratory fees	Smoking cessation programs
Crutches	Laser eye surgery	Surgical fees
Deductibles	Office visits	Weight loss over-the-counter drugs (Rx)
Dental fees (cosmetic procedures not eligible)	Obstetrics and fertility	Weight loss programs with a doctor's letter of medical necessity
Dentures	Oral surgery	Wheelchair
Diagnostic fees	Orthodontic fees	Vitamins, with doctor's letter of medical necessity
Dietary Supplements and vitamins with doctor's letter of medical necessity	Orthopedic devices	X-rays and MRI
Drug and medical supplies (syringes, needles, etc.)	Osteopath fees	
	Over-the-Counter drugs that are medically necessary like allergy medications, aspirin, or antacids (Rx)	
	Oxygen	
	Periodontist fees	

Items *requiring* a physician's letter listing a medical condition making the item necessary.*

Bedpans and ring cushions
Boost®/Pediasure®
Foot Spa
Herbs
Massagers
Massages
Minerals
Oxygen
Reconstructive surgery in connection with birth defect, disease, or accident.
Special supplements
Special school for disabled child
Special teeth cleaning system
Therapeutic support gloves
Vitamins
Weight loss programs and fees pertaining to a specific disease
Wigs for hair loss caused by disease

Health care expenses that *do not* qualify for reimbursement under an FSA plan.*

Cosmetic surgery, procedure, and/or medications
Dental bleaching
Hair restoration (procedures, drugs or medications)
Health club or gym memberships for general health
Marriage and family counseling
Over-the-Counter drugs or medications that re not prescribed by your physician
Weight loss programs for general health or appearance
Mail order prescriptions from another country
Premiums you or your spouse pay for insurance coverage (Payroll-deducted premiums sponsored by your employer are eligible under the Premium Only Plan.)

**Plan restrictions may apply. Check with your plan administrator.*

Accepted Over-the-Counter (OTC) Items*

Antiseptics Prescription (Rx) required beginning 1/1/2011

- Antiseptic wash or ointment for cuts or scrapes (Rx)
- Antiseptic mouthwash (Rx)
- Benzocaine swabs (Rx)
- Boric acid powder (Rx)
- First aid wipes (Rx)
- Hydrogen peroxide (Rx)
- Iodine tincture (Rx)
- Rubbing alcohol (Rx)
- Sublime sulfur powder (Rx)

Cold, Flu, Asthma and Allergy Medications

- Prescription (Rx) required beginning 1/1/2011
- Allergy medications (Rx)
- Bronchodilator/expectorant tablets (Rx)
- Bronchial asthma inhalers (Rx)
- Cold relief syrup, tablets and drops (Rx)
- Cough relief syrup, tablets and drops (Rx)
- Flu relief syrup, tablets and drops (Rx)
- Medicated chest rub (Rx)
- Nasal decongestant spray, drops or inhaler (Rx)
- Nasal strips to improve congestion (Rx)
- Sinus and allergy nasal spray (Rx)
- Homeopathic sinus medications (Rx)
- Sinus medications (Rx)
- Vapor patch cough suppressant (Rx)

Diabetes Prescription (Rx) required beginning 1/1/2011

- Diabetic lancets
- Diabetic needles
- Diabetic supplies
- Diabetic syringes
- Diabetic test strips
- Glucose meters
- Glucose tablets (Rx)

Ear/Eye Care Letter of Medical Necessity required from a physician (LOMN)

- Prescription (Rx) required beginning 1/1/2011
- Airplane ear protection (LOMN)
- Ear drops for swimmers (Rx)
- Ear water-drying aid (Rx)
- Earwax removal drops (Rx)
- Homeopathic earache tablets (Rx)
- Contact lens solutions (Rx)

Health Aids (Rx) required beginning 1/1/2011

- Anit-fungal treatments (Rx)
- Denture adhesives
- Diuretics and water pills (Rx)
- Hemorrhoid relief (Rx)
- Lice control
- Medicated bandages
- Motion sickness tablets (Rx)
- Respiratory stimulant ammonia (Rx)
- Sleeping aids (Rx)

Pain Relief Prescription (Rx) required beginning 1/1/2011

- Arthritis pain reliever (Rx)
- Bunion and blister treatments (Rx)
- Itch relief (Rx)
- Orajel® (Rx)
- Pain relievers, aspirin and non-aspirin (Rx)
- Throat pain medications (Rx)

Personal Test Kits

- Cholesterol tests
- Colorectal cancer screening tests
- Home drug tests
- Ovulation indicators
- Pregnancy tests

Skin Care Prescription (Rx) required beginning 1/1/2011

- Acne medications (Rx)
- Anti-itch lotion (Rx)
- Bunion and blister treatments (Rx)
- Cold sore and fever blister medications (Rx)
- Corn and callus removal medications (Rx)
- Diaper rash ointment (Rx)
- Eczema cream (Rx)
- Medicated bath products (Rx)

Stomach Care Prescription (Rx) required beginning 1/1/2011

- Acid reducing gum, liquid and tablets (Rx)
- Anti-diarrhea medications (Rx)
- Gas prevention tablets or drops (Rx)
- Ipecac syrup (Rx)
- Laxatives (Rx)
- Pinworm treatment (Rx)
- Upset stomach medications (Rx)

Over-the-Counter (OTC) items*

Letter of Medical Necessity required from a physician (LOMN)

Prescription (Rx) required beginning 1/1/2011

- | | |
|------------------------------|--------------------------------------|
| Adhesive or elastic bandages | Minerals (Rx) |
| Blood pressure meter | Multivitamins (Rx) |
| Cold or hot compresses | Saline nose drops (Rx) |
| Eye drops (Rx) | Special supplements (Rx) |
| Foot spa (LOMN) | Special teeth cleaning system (LOMN) |
| Gauze and tape (LOMN) | Thermometers |
| Gloves and masks (LOMN) | Vitamins (Rx) |
| Herbs (Rx) | |
| Leg or arm braces | |
| Massagers (LOMN) | |

OTC items – not acceptable*

- | | |
|---------------------------|-------------------------|
| Aromatherapy | Low “carb” food |
| Baby bottles and cups | Low calorie food |
| Baby oil | Mouthwash |
| Baby wipes | Oral care |
| Breast enhancement system | Petroleum jelly |
| Cosmetics | Shampoo and conditioner |
| Cotton swabs | Skin care |
| Dental floss | Spa salts |
| Deodorants | Sun tanning products |
| Feminine care | Toothbrushes |
| Hair regrowth | |

*Plan restrictions may apply. Check with your plan administrator.