Open enrollment for the Healthcare FSA and Dependent Care FSA runs from 11/2/19—11/20/19
To enroll, visit https://my.adp.com
SPD can be found under Support/My Documents when signed in to www.TASConline.com

TASC®

CITY OF BALTIMORE

DHR CITY OF BALTIMORE DEPARTMENT OF HUMAN RESOURCES

Save money with FSA pretax benefit accounts.

A Flexible Spending Account (FSA) puts more money in your pocket by reducing your taxable income when you contribute pretax dollars to pay for common expenses like these:

HEALTHCARE

- Medical/dental office visit co-pays
- Dental/orthodontic care services
- Prescriptions/over-the-counter, vaccinations
- Eye exams; prescription glasses/lenses

DEPENDENT CARE

- Daycare expenses
- Before & after school care
- Nanny/nursery school
- Elder care

TIPS

- Open enrollment runs 11/2/20—11/15/20 for 1/1/21—12/31/21 plan year
- You can choose to enroll in a Healthcare FSA and/or Dependent Care FSA
- For a complete list of eligible expenses, see IRS Publications 502 & 503 at irs.gov

Increase your take-home pay by reducing your taxable income.

Each $1 you contribute to your FSA reduces your taxable income by $1.
With less tax taken, your take-home pay increases!

Consider this example:
(for illustration only)

Richard has:

- Gross monthly pay of $3,500
- $600 per month in eligible expenses

Here is his net monthly take-home pay:

Without FSA	With FSA
($600 spent using post-tax dollars)	($600 spent using pretax dollars)
$1,932	$2,098

That's a net increase in take-home pay of $166 every month!

To estimate potential savings based on your income and expenses, use the Tax Savings Calculator at www.tasconline.com/tasc-calculators/tasc-flexsystem-calculator

See how easy it is to start saving with a TASC Benefit Account. See details on reverse.

How to participate.

It's easy to start saving with a TASC FSA.

Just follow 3 simple steps:

1. DECIDE how much you want contribute for the upcoming plan year

The more you contribute, the lower your taxable income will be. In spite of this, it's important be conservative when choosing your annual contribution based on your anticipated qualified expenses since:

- The money you contribute to your benefit account can only be used for eligible FSA expenses.
- FSA annual maximums: healthcare $2,750; dependent care $5,000.
- Any unused FSA funds at the close of the plan year are not refundable to you. (Note: City of Baltimore offers a Carryover option: up to $550 in unused contributions in a Healthcare FSA can carry over to the next year.)

PLANNING TIPS

START by making a conservative estimate of how much you expect to spend on eligible out-of-pocket expenses for the year.

HEALTHCARE FSA: you may submit reimbursement requests incurred by 12/31/21 until 3/31/22.

DEPENDENT CARE FSA: you may incur eligible expenses until 3/15/22and submit reimbursement requests until 3/31/22.

2. ENROLL by completing the enrollment process each year

To enroll in the FSA, please visit: https://my.adp.com

Your contribution will be deducted in equal amounts from each paycheck, pretax, throughout the plan year.

Your total annual contribution to a **Healthcare FSA** will be available to you immediately at the start of the plan year. (Max. $2,750) Alternatively, your **Dependent Care FSA** funds are only available as payroll contributions are made. (Max. $5,000)

SPD can be found under Support/My Documents when signed in to www.TASConline.com

SPECIAL FEATURES

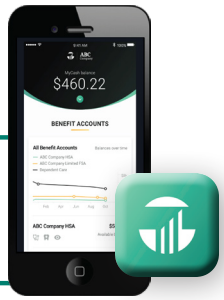
Individual Giving Account: Every participant receives a complimentary TASC giving account.

Identify Theft Protection: All active participants receive TASC Identity Theft Protection.

3. ACCESS your funds easily using the TASC Card

This convenient card automatically approves and deducts most eligible purchases from your benefit account with no paperwork required. Plus, for purchases made without the card, you can request reimbursement online, by mobile app, or using a paper form.

Reimbursements happen fast—within 12 hours—when you request to have them added to the MyCash balance on your TASC Card. You can use the MyCash balance on your card to get cash at ATMs or to buy anything you want anywhere Mastercard is accepted!



Track and manage all TASC benefits and access numerous helpful tools, anywhere and anytime—with just one app!

GET IT ON Google Play | Download on the App Store | Search for "TASC" (green icon)

Questions? Ask your employer or contact your Plan Administrator:
Total Administration Services Corporation • www.tasconline.com • 1-800-422-4661

TC-6350-103020

Save up to 30% on eligible expenses

Enroll in a TASC Flexible Spending Account (FSA) so you can use pretax dollars to pay for common, everyday expenses and reduce your taxable income.

Below is a partial list of reimbursable expenses that may be incurred by you, your spouse, or qualified dependents.
NOTE: If you (or your spouse) enroll in an HSA Plan, you may only enroll in a Limited-Purpose Healthcare FSA (LPFSA). The eligible expenses under an LPFSA are limited to Dental and Vision expenses only.

Eligible Medical Expenses

- Acupuncture
- Artificial limbs
- Bandages & dressings
- Birth control, contraceptive devices
- Birthing classes/Lamaze – only the mother's portion (not the coach/spouse) and the class must be only for birthing instruction, not child rearing
- Blood pressure monitor
- Chiropractic therapy/exams/adjustments
- Contact lens and contact lens solutions
- Co-payments
- Crutches (purchased or rented)
- Deductibles & co-insurance
- Diabetic care & supplies
- Eye exams
- Eyeglasses, contacts, or safety glasses (prescription)
- First aid kits & supplies
- Flu shots
- Hearing aids & hearing aid batteries
- Heating pad
- Incontinence supplies
- Infertility treatments
- Insulin
- Lactation expenses (breast pumps, etc.)
- Laser eye surgery; LASIK
- Legal sterilization
- Medical supplies to treat an injury or illness
- Mileage to and from doctor appointments
- Optometrist's or ophthalmologist's fees
- Orthopedic inserts
- Physical exams
- Physical therapy (as medical treatment)
- Physician's fee and hospital services
- Pregnancy test
- Prescription drugs and medications
- Psychotherapy, psychiatric and psychological service
- Sales tax on eligible expenses
- Sleep apnea services/products (as prescribed)
- Smoking cessation programs & deterrents (gum, patch)
- Treatment for alcoholism or drug dependency
- Vaccinations
- X-ray fees

Eligible OTC Medicines and Drugs

Over-the-counter (OTC) medicines and drugs are now reimbursable via FSA, HRA, and HSA without a prescription or physician's note if purchased on or after 01/01/2020.
Eligible OTC products include items that are for medical care and are primarily for a medical purpose, and are compliant with federal tax rules under IRS Code Section 213(d).

- Allergy, cough, cold, flu & sinus medications
- Anti-diarrheals, anti-gas medications & digestive aids
- Canker/cold sore relievers & lip care
- Family planning items (contraceptives, pregnancy tests, etc.)
- Feminine care products (tampons, pads, etc)
- Foot care (corn/wart medication, antifungal treatments, etc.)
- Hemorrhoid creams & treatments
- Hydrogen peroxide & rubbing alcohol
- Itch relief (calamine lotion, Cortizone cream, etc.)
- Nasal spray
- Oral care (denture cream, pain reliever, teething gel, etc.)
- Pain relievers - internal/external (Tylenol, Advil, Bengay, etc.)
- Skin care (sunscreen w/SPF15+, acne medication, etc.)
- Sleep aids & stimulants (nasal strips, etc.)
- Stomach & nausea remedies (antacids, Dramamine, etc)
- Wound Treatments/Washes (Hydrogen Peroxide, Iodine)

Continued on next page...

Use your TASC Card to pay for eligible expenses at the point of purchase instead of paying out-of-pocket and requesting a reimbursement.

Eligible Dental Expenses

- Braces and orthodontic services
- Cleanings
- Crowns
- Deductibles, co-insurance
- Dental implants
- Dentures, adhesives
- Fillings

Eligible Dependent Care Expenses

- Fees for licensed day care or adult care facilities
- Before and after school care programs for dependents under age 13
- Amounts paid for services (including babysitters or nursery school) provided in or outside of your home
- Nanny expenses attributed to dependent care
- Nursery school (preschool) fees
- Summer Day Camp – primary purpose must be custodial care and not educational in nature
- Late pick-up fees
- Does not cover medical costs; use Healthcare FSA for medical expenses incurred by you or your dependents

For more information regarding eligible expenses, please review IRS Publication 502/503 at **irs.gov**. Summary Plan Description (SPD) can be found under Support/My Documents when signed in to www.TASConline.com.

Eligible Disability Expenses

- Automobile equipment and installation costs for a disabled person in excess of the cost of an ordinary automobile; device for lifting a mobility impaired person into an automobile
- Braille books/magazines in excess of cost of regular editions
- Note-taker for a hearing impaired child in school
- Seeing eye dog (buying, training, and maintaining)
- Special devices, such as a tape recorder or typewriter for a visually impaired person
- Visual alert system in the home or other items such as a special phone required for a hearing impaired person
- Wheelchair or autoette (cost of operating/ maintaining)

Requiring Additional Documentation

The following expenses are eligible only when incurred to treat a diagnosed medical condition. Such expenses require a ***Letter of Medical Necessity*** from your physician, containing the medical necessity of the expense, diagnosed condition, onset of condition, and physician's signature.

- Ear plugs
- Massage treatments
- Nursing services for care of a special medical ailment
- Orthopedic shoes (excess cost of ordinary shoes)
- Oxygen equipment and oxygen
- Support hose (non-compression)
- Varicose vein treatment
- Veneers
- Vitamins & dietary supplements
- Wigs (for mental health condition of individual who loses hair because of a disease)

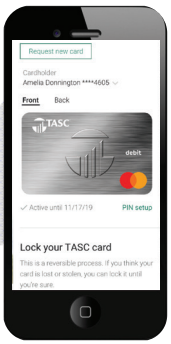
CARD EXPERIENCE

Discover one-card convenience and hassle-free reimbursements. It's the fastest, easiest way to access benefit funds.

The hassles of carrying multiple cards and trying to remember which card pays for what are a thing of the past with the **TASC Card.** Just swipe this stacked card at the point of purchase and eligible expenses are paid automatically with smart technology to know which account to draw funds from. Every participating employee receives a TASC Card and has access to several value-added card features:

TASC Card Decline Protection. As a bonus, each TASC Card comes with card decline protection which means participants never have to deal with the hassle or embarrassment of having a card declined due to insufficient funds in a benefit. And if a participant doesn't have enough funds to cover a purchase, TASC will approve the transaction and pay the difference, then be reimbursed from the participant's bank account (up to a pre-authorized amount) linked to their TASC Card.

TASC Card Lock. If a TASC Card is lost or stolen, the participant can quickly disable it with TASC Card Lock online or via the TASC mobile app. Find it? Just a tap of the finger and the card is unlocked and ready to use.



TASC Wallet. This convenient organizer offers mobile and web access to the TASC Card with features like:

- Card Management. Stores image of TASC Card; lets participants lock a card, report lost/stolen cards, or request more cards.
- Card Holder. Stores digital images of other important cards (insurance cards, rewards cards – even a gym membership card).

The TASC Card is backed with seamless cross-channel customer care. Participants can get the help they need to manage their benefits and TASC Card through our website, mobile app, or call center.

The TASC Card. Just one more way we're making benefits smart, easy, and connected.

The TASC Card is issued by MetaBank, Member FDIC, pursuant to license by Mastercard International Incorporated. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

MOBILE EXPERIENCE

Track and manage all TASC benefits and access helpful tools, anywhere and anytime—with just one app!

The TASC mobile app includes special features that make it easy to keep TASC accounts safe and secure. We've made it even faster and easier to manage benefits on the go.

TASC Card Lock. Misplace a TASC Card? No worries. With a swipe of a finger, participants can lock access until they've located the card, then swipe it back on when found.

Fingerprint (Touch ID) and Facial Recognition. These capabilities protect participant account information without the hassle of remembering another password.

Picture to Pay. Take a picture of an eligible benefit expense then submit it via the TASC mobile app. There are no forms to fill out and no need to sign in to a website. Just click and submit and we'll take care of the rest.

Expense Eligibility Check. Not sure an item is eligible for reimbursement? Find out in seconds on the app. It's the quickest way to make sure benefits are being spent correctly.

Mobile Alerts[1]. Participants are notified when we've received a request and when it's been paid, making it easy to stay on top of account activity and available funds.

Seamless Account Management. Our website, mobile app, and customer care call center make it easy for participants to manage their account and get the support they need, anytime and anywhere! Plus, account information is connected across all platforms, which means participants don't have to re-enter data or restart a process between devices.

GET IT ON Google Play | Download on the App Store

Search for "TASC" (green icon)

TASC Wallet. These user-friendly features make benefits management simple and fast:

- ATM Locator. Finds the nearest ATM to withdraw cash from MyCash account via TASC Card.
- Card Management. Stores image of TASC Card; lets participants lock a card, report lost/stolen cards, or request more cards.
- Card Holder. Stores digital images of other important cards (insurance cards, rewards cards – even a gym membership card).
- Receipt Repository. Keeps benefits-related receipts in one convenient place.

The TASC mobile app. Just one more way we're making benefits smart, easy, and connected.

[1]*Standard message and data rates may apply.*

Determine if your Dependent Care expenses qualify for reimbursement from FSA

The Dependent Care FSA allows you to use pretax dollars to pay for eligible expenses related to care for your child, disabled spouse, elderly parent, or other dependent who is physically or mentally incapable of self-care, so you (or your spouse) can work, look for work, or attend school full time. **Medical expenses for your dependent are not eligible for reimbursement under the Dependent Care FSA.**

Eligibility for the dependent care benefit requires that certain criteria be met, which is outlined in this document.

A) **The dependent care expenses must be work-related.** The care must be necessary for the employee and/or the employee's spouse to work, to look for work, or to attend school full-time, or if they are physically unable to care for their children.

B) **The dependent care expenses provided during a calendar year cannot exceed $5,000.** In the case of a separate return by a married individual, the limit is $2,500. This amount may be less if the employee's earned income or spouse's earned income is less than $5,000.

Dependent care expenses must be for the care of one or more qualifying persons.

A "Qualifying Person" is defined as <u>one</u> of the following:

- A dependent child who was under age 13 when care was provided and for whom a tax exemption can be claimed.
- A spouse who was physically or mentally not able to care for him/herself and lived with you for more than half the year.
- A dependent who was physically or mentally not able to care for him/herself and for whom an exemption can be claimed, and lived with you for more than half the year.

Eligible and Ineligible Expenses for Dependent Care FSA Reimbursement (partial list)

Allowed for Reimbursement:

- ☑ Fees for licensed day care or adult care facilities
- ☑ Before and after school care programs for dependents under age 13
- ☑ Amounts paid for services (including babysitters or nursery school) provided in or outside of your home
- ☑ Nanny expenses attributed to dependent care
- ☑ Nursery school (preschool) fees
- ☑ Summer Day Camp – primary purpose must be custodial care and not educational in nature
- ☑ Late pick-up fees

NOT Allowed for Reimbursement:

- ⊘ Medical expenses
- ⊘ Baby-sitter in or out of your home for reasons other than to enable you to work
- ⊘ Activity fees/ educational supplies
- ⊘ Food, clothing, and entertainment
- ⊘ Transportation expenses
- ⊘ Child support payments
- ⊘ Kindergarten fees
- ⊘ Overnight camp
- ⊘ Late payment charges

Continued on next page...

For more information regarding eligible Dependent Care expenses, please review IRS Publication 503.
Summary Plan Description (SPD) can be found under Support/My Documents when signed in to www.TASConline.com
You can also view benefit information by visiting:

https://my.adp.com

To receive the dependent care benefit, one must follow these procedures:

A) All persons and organizations that provide dependent care for a qualified person must be identified. This information is requested on IRS Form 2441. The name, address, and taxpayer identification number of the provider must be included. Under certain circumstances, the taxpayer identification number will be a social security number.

B) If the care is being provided by a center that cares for more than six persons, the center must comply with all state and local regulations.

C) Payments made to relatives who are not dependents can be included. However, do not include amounts paid to a dependent for whom you can claim an exemption or for your child who is under age 19 at the end of the year, regardless of whether he or she is your dependent.

D) Use Form W-10 to request the required information from the care provider.

Special rules apply to children of divorced or separated parents:

Even if you cannot claim your child as a dependent, he or she is treated as your qualifying person if all of the following are true:

- The child was under age 13 or was not physically or mentally able to care for himself or herself.
- One or both parents provided more than half of the child's support for the year and are divorced, legally separated, or lived apart at all times during the last 6 months of the calendar year.
- One or both parents had custody of the child for more than half of the year.
- You were the child's custodial parent. The custodial parent is the parent having custody for the greater portion of the calendar year. If the child was with both parents for an equal number of nights the parent with the higher adjusted gross income is the custodial parent.

A non-custodial parent that is entitled to claim the child as a dependent on their tax return may not treat the child as a qualifying individual for the dependent care benefit even when that parent is financially responsible for providing the care. Only one parent (the custodial parent) may qualify for the dependent care benefit for a taxable year. The regulations do not provide any relief for a non-custodial parent that incurs dependent care expenses for the portion of the year in which they have custody of the child to enable the non-custodial parent to work.