

*Take advantage of your  
CVS Caremark Benefits Card*

## General Questions About Your CVS Caremark Benefits Card

### 1. How do I use my CVS Caremark Benefits Card?

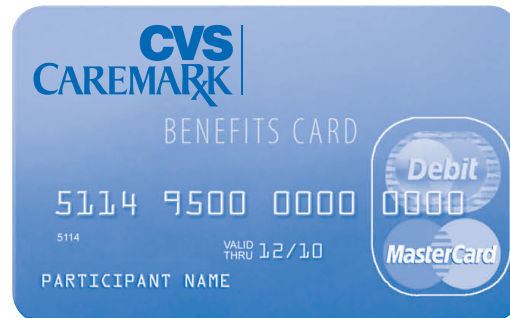
Your card is a quick and easy way to pay for qualified expenses when using your Flexible Spending Account (FSA). The Benefits card works like a typical debit card, although you do not need a “PIN” number to use the card. Instead, you should choose “Credit” when using the card.

The card allows you instant access for eligible medical and dependent care FSA expenses. Because the funds in your FSA account are “pre-tax” dollars, the Internal Revenue Service (IRS) is very strict about documentation for card purchases. As a result, Benefit Strategies LLC., our FSA plan administrator, may request additional documentation for certain debit card transactions.

Although you will automatically receive a CVS Caremark Benefits Card if you enroll in an FSA, you are not required to use it. You can continue to submit claims to Benefit Strategies for reimbursement. Please allow 4-5 days for processing and payment of your claim.

### 2. Does the card work every place I can purchase eligible items or services?

No. Your card will not work at a merchant/vendor that has not been approved by the IRS. For example, your card will not work at such merchants/vendors as department stores (e.g. Macy’s), gas stations, golf courses, liquor stores, or hotels. If you attempt to use your card at a location that is not allowed, the transaction will be immediately denied at the point of service.



Sample of CVS Caremark Benefits Card

### 3. Can I still be reimbursed for items if my card is not accepted?

As long as the items you are purchasing are approved expenses by the IRS, and purchased within the Plan Year, you are eligible for a reimbursement through your FSA Account. However, you will need to submit a claim for reimbursement using the applicable claim form.

### 4. What types of purchases can I use my debit card for?

Your CVS Caremark Benefits Card allows you instant access to your FSA Account at physician and dentist offices, at hospitals and at CVS/pharmacy and Longs locations. If you have a Dependent Care FSA Account, you can use your card to pay for eligible dependent care expenses at approved daycare or eldercare providers. (See “Health Care Expenses” and “Dependent Care Expenses” for further details.)

### 5. If I enroll in both FSA plans, will I get two cards?

No, if you enroll in both the Health and Dependent Care FSA plans, you will receive one card to access both accounts. However, it is important to remember that the two FSA accounts are regulated by separate IRS rules, which means that contributions you make to the Health Care FSA and Dependent Care FSA cannot be used interchangeably.

## 6. How can I get a card for my spouse? Is there an additional cost involved?

You will receive one card when you enroll, and you may request an additional card for your spouse. Just log onto our website at: [www.benstrat.com](http://www.benstrat.com), complete the “Dependent Debit Card Request Form” and mail or fax it back to us. There is no charge for an additional card.

## 7. Will I receive a new card each year?

Your CVS Caremark Benefits Card is good for three years and has an expiration date printed on it. Your card will be automatically updated with your new elections each Plan Year. **Please Note:** You cannot use the card after June 1 to exhaust funds from the previous plan year. However, you may submit a paper request for any outstanding claims.

## 8. I lost my card, how can I get a replacement card? Is there a cost involved?

If your CVS Caremark Benefits Card is lost or stolen, please contact Benefit Strategies Customer Service Center at **1-800-371-7542** immediately. A Customer Service Representative will deactivate the lost or stolen card and assist you in getting a replacement card. There is a \$10 fee for this service, which we will deduct from your account.

## HEALTH CARE EXPENSES

### Using Your CVS Caremark Benefits Card for Health Care Expenses

#### 1. Where can I use the card for Health Care FSA expenses?

You can use your benefits card for medically related purchases and services in hospitals, at physician and dentist offices, at CVS/pharmacy, Longs and at other approved vendor locations. A complete list of approved merchants is available at [www.benstrat.com](http://www.benstrat.com).

#### 2. Which purchases can I use my card for?

You can use your card to pay for many health care expenses that are not currently covered by your insurance plan, including:

- Deductibles/Coinsurance
- Dental Care, including orthodontia

- Vision Care, including eyeglasses and contact lenses
- Prescribed medications

For these types of medical expenses, you can use the benefits card at the point of purchase – provided that the MasterCard® logo is accepted and the merchant is approved by the IRS.

#### 3. When do I have to send in receipts?

New card technology provides instant approval of card transactions at CVS/pharmacy and other approved vendors. In stores where this new technology is used, you will not be required to submit your receipts when purchasing prescriptions.

You will need to submit a paper claim – with copies of your receipts – in the following instances:

- The merchant is not an approved vendor by the IRS
- Your card was not approved at the point of service
- You chose not to use your card
- For reimbursement of prescribed over-the-counter medication (effective January 1, 2011)

For certain medical and dental procedures (e.g. orthodontia), your card will be accepted but you may be required to submit additional documentation.

#### 4. Can I buy multiple items in one transaction if they're not all eligible expenses?

Yes. The current card technology allows for “splitting” of purchases to pinpoint FSA-eligible expenses and disallow non-eligible items. The retailer will be able to verify and split the individual item as well as the sales tax.

#### 5. One of my Health Care expenses is only approved with a doctor's note. Does the new technology recognize it as an eligible expense?

Any item that requires a doctor's letter is still considered an eligible expense by the IRS. However, it will not be recognized by the new system, and you will not be able to use your card to purchase this item or service. You will need to submit a claim for reimbursement using the Health Care Claim Form.

## DEPENDENT CARE EXPENSES

### Using Your CVS Caremark Benefits Card for Dependent Care Expenses

If you have an FSA Dependent Care account, you can use your benefits card for eligible dependent care expenses, such as childcare (daycare) or eldercare expenses. If your daycare or eldercare provider accepts MasterCard, you can pay using your card. However, you can only use your card to access funds that you have contributed, and are currently in your dependent care account. If you have a recurring daycare expense, you should provide us with an initial receipt that documents this ongoing expense, so you will not have to provide documentation for future expenses of the same amount.

#### Accessing your Dependent Care Funds

You can use your CVS Caremark Benefits Card to access dependent care funds when an expense is incurred. The IRS does not allow reimbursement of daycare expenses in advance. This means that you have to have sufficient funds in your dependent care account to cover the payment amount you are requesting. For example, if you elected to contribute \$100 a week for eligible dependent care expenses on June 1, and your dependent care account totals \$900 on August 1, then your card transaction cannot exceed \$900 on August 1.

#### 1. I paid a deposit for summer camp in June, but camp doesn't begin until August. When can I get reimbursed for that expense?

You will have to submit a claim to Benefit Strategies for reimbursement after August 1. IRS regulations do not allow you to pay for dependent care expenses in advance. And, if you used your card to pre-pay for the summer camp deposit, Benefit Strategies will review the transaction and request further documentation. Because the transaction was made in advance, Benefit Strategies will be required to ask you to reimburse the entire payment since IRS guidelines do not allow for pre-payment of daycare expenses.

#### 2. What happens if I swipe my card and the dependent care funds are not available?

Let's say you use your card to cover your monthly dependent care expenses of \$1,000, but you only have \$500 in your dependent care account. The transaction cannot be processed for the full amount at the point of service because you do not have sufficient funds. However, the merchant can split the transaction and charge \$500 on the card and you can pay the rest via other means. You will then have to submit a reimbursement claim form for the balance, as well as provide a receipt from your daycare provider.

Once we receive your claim, Benefit Strategies will reimburse you as the funds become available, based on your pay period election amount.

### Requests for Additional Receipts/Documentation

#### 1. What is an acceptable receipt?

A cash register receipt that contains the following information is acceptable documentation:

- Name of provider
- Name of patient
- Description of service
- Amount charged
- Date service/product incurred

A medical Explanation of Benefits (EOB) form is also considered acceptable documentation. The EOB is typically provided from your medical and/or dental carrier.

A summary report is available from CVS/pharmacy detailing each FSA eligible purchase. Call 1-800-SHOP-CVS, and press ext. 2 to speak with an ExtraCare representative. You can use the report to validate any health-related purchases that may be tax deductible. And to substantiate any FSA eligible purchases made with your ExtraCare card going back 14 months. Please be sure to include a copy of Benefit Strategies' substantiation request with your receipt.

**Please note:** Credit card statements and canceled checks are not accepted as documentation, according to the IRS.

## 2. How do I submit supporting documentation?

You can fax or mail the appropriate documentation to Benefit Strategies along with a reimbursement claim form.

### Fax receipts to:

401-457-7266  
800-796-4971

### Mail receipts to:

Benefit Strategies  
PO Box 3910  
Manchester, NH 03105-3910

## 3. What is a recurring expense?

An expense that you will incur on a regular basis is considered a recurring expense. Monthly daycare expenses, medication that is taken regularly, or a co-payment amount from your spouse's health care plan are examples of recurring expenses. Please indicate on the receipt or notice that this is a recurring expense.

After the initial transaction, future expenses of the same dollar amount will not require further substantiation when submitting your claim for reimbursement.

## 4. Should I always save my receipts?

Yes. You should always save your itemized receipts because you may be asked to verify the eligibility of the expense to comply with IRS rules.

If you don't comply when a receipt is requested, the expense will be declared ineligible, and you'll have to reimburse your account. If you fail to do so, you could jeopardize the tax-exempt status of your account and lose access to your card.

## 5. What happens if I cannot find the receipt for a medical/dependent care transaction?

If you've lost or misplaced the required receipt, you have several options to avoid having your card "turned off." You can:

1. Send a check for the amount that is not substantiated (the monies are then put back into your account), or
2. Submit a receipt for a new eligible expense that you incurred, which we will use to offset any unsubstantiated amounts.

IRS regulations require that your benefits card be deactivated until the receipt is received, or one of the resolutions above occurs.

Benefit Strategies offers you a grace period during which you can submit receipts or other supporting documentation. You will receive two reminder notices from Benefit Strategies via traditional mail or email, if we have your email address on file.

The notices will request a copy of the documentation (e.g. receipt, doctor's bill, invoice or Explanation of Benefits) that supports the pending card transaction.

If you do not send us the supporting documentation, your card will be de-activated 30 days from the date on the final notice, as required by IRS regulations. If you've lost or misplaced the receipt, the notice will provide you with several options to avoid having your card "turned off."

## Claims Filing Procedures for Non-Card Transactions

### 1. Do I have to use the CVS Caremark Benefits Card to get reimbursed for eligible expenses?

You always have the option of filing a claim directly with Benefit Strategies, instead of using the card. If you were unable to use your card at the time of service, you will need to fill out a claim form. When the claim form is completed, you should then submit the form, along with a receipt for the expense to Benefit Strategies by fax or email. Claim forms are available online at **www.benstrat.com**, and samples are also included in this Welcome Kit.

### New Online Claim Functionality!

You can also file a claim online with Benefit Strategies, using the FSA online Participant Portal. You can scan and send receipts with your online claim entries as well. Detailed instructions on filing a claim online can be downloaded under the **Download Forms** link on the portal. Visit **www.benstrat.com**, and click on the CVS Caremark logo for more information.



*The IRS continues to update its guidelines on the use of debit cards for eligible medical and dependent care expenses. Benefit Strategies will let you and your employer know – in advance – of major changes that impact your CVS Caremark Benefits Card use.*