



September 23, 2008

Notice to HCFSA Participants
Possible FSA card disruptions and denials may occur

As grocery stores and drug stores work to achieve compliance with Internal Revenue Service (IRS) regulations, some employees participating in the Health Care Flexible Spending Account (HCFSA) program may experience disruptions and denials when attempting to use an FSA card to pay eligible health care expenses. If an employee's FSA card swipe is denied, however, the employee can still submit a claim form and documentation to obtain reimbursement of eligible medical expenses.

Beginning January 1, 2009, FSA card swipes will be denied at grocery stores and drug stores that have not yet complied with the most recent IRS rule changes. HCFSA participants are encouraged to discuss the situation with their favorite stores now to see if these stores will achieve compliance by January 1, 2009. A listing of approved merchants is available online at **www.sig-is.org**.

FSA participants have two options if a store decides not to comply with IRS regulations.

- They can continue doing business with the store by paying for eligible medical products by cash or check and then submitting a claim form and supporting documentation for HCFSA reimbursement. The claim form and documentation can be faxed to DataPath Administrative Services toll-free at 888-472-6777.
- They can do business with another store that complies with IRS regulations, where they can pay use the FSA card for eligible medical expenses.