

iSolved Flexible Spending Plan

- iSolved is our current Payserv software so the payroll process would be simplified.
- Administrative cost: \$4.25 per participating employee with \$50 per month minimum (This is a discount from the normal \$75). The Library would pay this \$600 annual cost.
- Employees who work 20 hours or more would be invited to participate; at this time, 9 employees are eligible.
- Library would contribute (\$400-\$500 per employee) share at the beginning of the year.
- Participating employee would contribute matching amount (or more but total cannot exceed \$2,750); employee share would be deducted pre-tax, per paycheck or once per month.
- Debit cards with full annual amount would be distributed at the beginning of the year. Participating employees would sign an agreement, stipulating that if employee leaves library, money may be owed.
- Portion of unspent \$ at the end of the year can be rolled over.
- Eligible expenses document – see separate document.
- Webinars and training provided for staff – see separate document.
- Our HR staff member, Yixsi, would administer the plan.

	Contribution Cost @ \$400 per employee	Contribution Cost @ \$450 per employee	Contribution Cost @ \$500 per year per employee
Estimating 9 employees participate and choose to match the full amount	Up to \$3600 per year	Up to \$4050 per year	Up to \$4500 per year
Total Cost including \$600 annual administrative fee	Up to \$4200 per year	Up to \$4650 per year	Up to \$5100 per year

iSolved Flexible Sending Plan

Health FSA – iSolved

A Health FSA allows an employee to set aside up to \$2,750 (2021 IRS limit, employers may set limit lower) to cover out-of-pocket health expenses such as amounts not covered due to a health plan deductible or any other qualified health expense (IRS Section 213(d)) not covered by the group health plan. Employees make an annual election. The amount elected is then withheld from the employee's pay each pay period in equal increments on a pre-tax basis. This is the big win for employees and employers – taxes are not paid by either on amounts elected in a Flexible Spending Account. The latest tools and technology – debit cards and smartphone apps – make using an FSA easy. Options like extending the plan year with a grace period or allowing employees to carryover unused amounts to the next plan year give employers flexibility to let employees get the most out of their participation in an Health FSA.

Benefits to Employers

- Lower insurance premiums
- Tax savings can pay for the plan
- Enhance your benefits program
- Complimentary open enrollment webinars to increase participation
- Enhanced technology means faster claims handling and fewer headaches
- Employers may use forfeitures to offset reasonable administrative costs incurred during the plan year
- 2 1/2 month grace extension or \$550 carryover into new plan year
- Options for reimbursement frequency (daily, weekly, semi-monthly, monthly)
- 95% auto-adjudication rate for debit card transactions

Benefits to Employees

- Health FSA funds are available at the start of the plan
- Quickly and easily access funds with the Benefit Card
- Mobile App for instant access to account balances
- Web access to balances, claim status and history
- Secure online account access anytime
- Direct deposit
- Dependent care expenses
- Significant tax savings
- Easy claim submission
- Daily reimbursements, depending on plan design
- Online forms, live chat and resource center
- Increase take-home pay
- Participant web and phone support
- Direct payments to third party healthcare providers

Key FSA Features

Debit Card: The use of a debit card provides immediate access to funds and eliminates paying out-of-pocket and then waiting for reimbursement. However, these expenses need to be documented as eligible expenses so participants should retain receipts. Participants receive two cards. Additional cards are \$5.00 per set, deducted from participant account.

FSA Mobile App and Resource Center: The primary tool for filing claims, checking balances, uploading receipts etc., is the iSolved Benefit Services FSA Mobile App. This state-of-the-art tool let's plan participants manage all their activity at their fingertips. The online iSolved Benefit Services FSA Resource Center includes videos and documents explaining how the FSA is used, a list of eligible/ineligible claims, and reinforcement of the benefits to participating in an FSA.