

# M.D. IPA's Participation in FSAFEDS

## Frequently Asked Questions

### **GENERAL INFORMATION ON THE FSAFEDS PROGRAM**

1. ***What is a Flexible Spending Account (FSA)?***

A Flexible Spending Account (FSA) is a tax-favored program offered by an employer that allows you to set aside **pre-tax money** from your paychecks to pay for a variety of eligible expenses. Without an FSA, you would still pay for these expenses, but would do so using money remaining in your paycheck after federal taxes are deducted.

2. ***What is the FSAFEDS Program?***

FSAFEDS allows eligible federal employees to put pre-tax money from their paychecks, up to a specified maximum amount, into one of two types of FSA accounts - a Dependent Care FSA (DCFSA) and/or a Health Care FSA (HCFSA).

3. ***Who is SHPS?***

SHPS, Inc. (SHPS) was selected by the Office of Personnel Management (OPM) to be the third party administrator responsible for managing the FSAFEDS program. SHPS is one of the largest and most experienced benefits administration companies in the country.

4. ***Who qualifies for the FSAFEDS Program?***

Federal employees eligible to enroll in the FEHB program are eligible to participate in the HCFSA. All eligible federal employees of executive branch agencies and other federal employers who adopt the FedFlex plan may make an election immediately upon entry on duty. Temporary federal employees are eligible upon completion of one year of continuous service. Annuitants are not eligible to participate in FSAFEDS program.

5. ***Why should I enroll in the FSAFEDS Program?***

You can save 20-40% on eligible expenses, depending on your personal tax situation. By using pre-tax dollars set aside in an HCFSA, you can get a substantial discount on common expenses such as over-the-counter medications, health plan deductibles and copayments, and vision and dental care costs, including orthodontia.

6. ***How do I enroll in the FSAFEDS Program?***

You may enroll during open season or at the start of employment if a new employee. Please refer to the FSAFEDS Web site at [www.fsafeds.com](http://www.fsafeds.com) for more information.

### **HOW DOES AN FSA WORK?**

1. ***Determine how much to contribute.***

You have to decide how much pre-tax money to contribute to your FSA to cover eligible, out-of-pocket health care expenses for the entire plan year. The FSAFEDS [Health Care Eligible Expense](#) ([←link to whole title](#)) guides and [FSAFEDS Program Calculator](#) will help you decide on a contribution amount. Eligible employees may elect up to \$4,000 for an HCFSA. The minimum annual election for an HCFSA is \$250.00 per account.

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2. **Enroll.**

You must make an election within the enrollment period to be able to participate for the 2004 Plan Year. You cannot change or revoke any of these elections prior to January 1, 2005, unless there is a Qualified Status Change (i.e. marriage, divorce, adding a new child through birth or adoption, death of spouse or child, and other such events allowed under the Internal Revenue Code and this FSA plan) and the election change is caused by and consistent with the Qualified Status Change. Please refer to the FSAFEDS Web site at [www.fsafeds.com](http://www.fsafeds.com) for more information.

3. **Contribute to the FSA via payroll deductions.**

The annual amount you elect to contribute is divided by the number of paychecks received in a year. FSA deposits are taken out of your paycheck before taxes beginning with the first pay period after the plan year starts.

4. **Request reimbursement. [if paperless reimbursement not elected]**

When you or a dependent incur an eligible expense and do not elect to receive paperless reimbursement, you must complete and sign a [claim form](#), attach an Explanation of Benefits (EOB) statement or detailed receipt as proof of services rendered, and submit your claim to SHPS. Claim forms may be mailed or faxed as directed by the program. Claims may be submitted at any time during the plan year, and there is a 120-day grace period for submitting claims following the end of the plan year.

5. **SHPS reimburses you.**

SHPS reimburses eligible expenses from your FSA account via Electronic Funds Transfer (EFT) or check payment. On average, turnaround time from receipt of a claim to claim payment is within 10 business days. You may sign up for EFT reimbursement at any time with this [EFT Form](#) in Adobe Acrobat Reader (.pdf) format.

6. **How do I contact the FSAFEDS Program?**

Benefit counselors are available to assist you from Monday through Friday, 9:00 a.m. to 9:00 p.m. Eastern Standard Time.

Web site: [www.fsafeds.com](http://www.fsafeds.com)

Telephone: 1-877-FSAFEDS (1-877-372-3337) toll-free

TTY: 1-800-952-0450 toll-free

Fax: 1-502-267-2233

E-mail: [FSAFEDS@SHPS.NET](mailto:FSAFEDS@SHPS.NET)

Mailing Address: FSAFEDS Program

P.O. Box 36880

Louisville, Kentucky 40233-6880

# M.D. IPA's Participation in FSAFEDS

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### **FSAFEDS AND M.D. IPA**

1. ***How is M.D. IPA participating in FSAFEDS?***

MD-Individual Practice Association, Inc. (M.D. IPA) is participating only in the Feds' HCFSA. M.D. IPA electronically submits certain eligible medical and dental claims incurred by M.D. IPA members directly to SHPS for reimbursement from their HCFSA.

2. ***I am already enrolled in the FSAFEDS Program. How do I start the process of having M.D. IPA submit my claims electronically to SHPS?***

You need to enroll in the paperless reimbursement program by contacting the FSAFEDS Program at 1-877-FSAFEDS or [www.FSAFEDS.com](http://www.FSAFEDS.com). You do not need to contact M.D. IPA.

Note: If you and your spouse each carry a Self-only (JP1) coverage, claims can be automatically reimbursed through the paperless program only for the FSA participant who is also the enrollee.

3. ***What information does SHPS need to start the electronic claim/paperless reimbursement submission process?***

If you are already enrolled and participating in the FSAFEDS Program, then SHPS only needs your FEHB plan code which is JP1 (Self) or JP2 (Self and Family). **Only claims incurred and processed by M.D. IPA beginning July 1, 2004 are eligible for the paperless reimbursement process.**

4. ***Does this mean all reimbursements from my HCFSA will also be electronically deposited into my bank account?***

No, you must sign up for EFT by completing the EFT form and providing all required account information as described on the FSAFEDS Web site at [www.FSAFEDS.com](http://www.FSAFEDS.com). Once your election is received and processed by SHPS, you will begin to receive HCFSA reimbursements electronically.

If you have not completed the EFT form, then all reimbursements will be made by check and mailed to your home address. Reimbursements made by check may take longer to get to you than an EFT payment sent directly to your bank account. You can sign up for the EFT process at any time by following the instructions on the FSAFEDS Web site at [www.FSAFEDS.com](http://www.FSAFEDS.com).

5. ***How long will it take to get reimbursed from my HCFSA account?***

It largely depends on how long it takes M.D. IPA to receive and process the claim. Most physicians and health care practitioners submit claims within 30-60 days after the actual date of service. M.D. IPA generally processes claims within 25 days of receipt and electronically submits all newly-processed claims to SHPS on a weekly basis. SHPS reviews and approves claims for reimbursement, and triggers a payment generally within 10 days.

6. ***What types of claims are included in M.D. IPA's electronic submissions to SHPS?***

Prescription copayments, PPO dental deductibles and co-insurance amounts, inpatient and outpatient facility copayments, as well as specialist copayments will be submitted by M.D. IPA to SHPS on your behalf.

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7. ***What types of claims are NOT included in M.D. IPA's electronic submissions to SHPS?***

Copayments for visits to Primary Care Physicians, laboratory and radiology services and denied claims or medical benefits not covered under the M.D. IPA Federal Program. These out-of-pocket expenses will not be submitted by M.D. IPA to SHPS. Reimbursement for these services must be requested by sending the required paperwork directly to SHPS for processing.