



Dear Employee:

Flexible Spending Accounts (FSA) have become a valuable tool in helping to offset many out-of-pocket expenses. As an employee of Onondaga County you are eligible to enroll in an FSA that will allow you to pay for many unreimbursed medical and dependent care expenses.

An FSA allows you to set aside an elected amount of funds that are placed into an IRS-approved account. Your elected amount is divided equally among your pay periods and a contribution is taken out of your payroll checks pre-tax. Because your contributions are taken pre-tax, you pay lower federal taxes, Social Security taxes, FICA taxes and state taxes, which increases your disposable income.

Your FSA can be used to pay for a variety of qualified expenses, or those costs normally paid by you after your health coverage has paid for any covered expenses. Examples of qualified expenses include:

- Co-pays
- Child and dependent care
- Uncovered dental expenses
- Contact lenses, eyeglasses and eye exams
- Prescriptions

For a full list of qualified expenses please visit benefitsoft.com.

Effective January 1, 2011 the IRS has changed its regulations and will no longer allow for the reimbursement of over-the-counter (OTC) medications without a physician's written prescription. Any OTC item that is injected, ingested or rubbed on will no longer qualify unless you have a prescription.

Once you incur a qualified expense you may either use your company-issued take care[®] Visa[®] debit card or submit a claim form and be issued a reimbursement check. The take care[®] Visa[®] debit card is accepted wherever Visa[®] is accepted and immediately deducts the cost of the qualified expense from your elected funds. To submit a claim for reimbursement, simply send a completed claim form and any receipts for the qualified expenses to POMCO Group.

Please note that reimbursement of qualified expenses is governed by the IRS and that any funds not used under a medical and/or dependent care FSA will be forfeited.

The items included in this packet will provide you with valuable information to help you evaluate the benefits of a Flexible Spending Account. If you choose to enroll in an FSA, please complete the enclosed enrollment form and submit it to Human Resources.

For additional information on FSAs please visit benefitsoft.com or call POMCO Group at 800.836.1878.

Sincerely,
POMCO Group