FSA Services

Managing ADP's FSA & Commuter Benefits Plans

Administrator's Guide

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Managing ADP's FSA & Commuter Benefits Plans

Introduction

Purpose

This guide provides you with information about the employer's tasks after implementation of ADP's Flexible Spending Account (FSA) and Commuter Benefits plans, the plan participants' tasks and responsibilities, and how to access and make changes to information using ADP's FSA and Commuter Benefits Web site.

Topics

- ADP's FSA and Commuter Benefits Web Site
- Client Tasks on the Web Site
- Viewing Plan Reports
- Supporting Plan Participants
- Summary

ADP's FSA and Commuter Benefits Web Site

Overview

ADP's FSA and Commuter Benefits Web site allows you to view the plans and participant data you provided to ADP during your implementation process.

You and your plan participants have access to extensive resources and self-service functionality designed to help you manage, update, and print employer and participant data.

In addition, your plan participants (and even nonparticipants) can access ADP's FSA and Commuter Benefits Web site and perform tasks to learn more about the plans, find answers to common questions, download forms, and view account activity.

Accessing ADP's FSA and Commuter Benefits Web Site

Description

ADP assigns a client user name and password to the person designated as the primary contact in your organization. This primary contact then sets up and assigns security access for your additional users.

Once you have a user name and password, you can access the Web site by opening your browser and entering www.flexdirect.adp.com.

Reviewing the Client Web Site Pages

Overview

Once you log on the Web site as a client, you have access to client profile data, plan design information, participant data, and online reports.

The Client Web Site Tabs

Client Checklist: This page displays the steps to follow during implementation if you set up your company profile, designed your plans, and set up your employees online.

Client Profile: You can access demographic, contact, payroll, and Web user data from this page.

Plan Design: Use this page to launch the details for a selected plan.

Plan Administration: Use this page to add, edit, or search for participants. You can also access the enrollment report from this page.

Reports: Use this page to view or download online reports.

Guideline

IF you forget your:	**THEN:**
password	click the **Forgot Your Password? Click here** link on the home page, enter your user name and e-mail address, and click **Retrieve Password**. Your new password will be sent to your e-mail address.
user name	contact ADP's Client Services by clicking the **Forgot Your Username? Contact ADP Client Services** link on the home page and complete the online form. An ADP Client Services account specialist will contact you.

Client Tasks on the Web Site

Overview

Once you and ADP have completed all of the implementation tasks necessary to set up your FSA and Commuter Benefits plans, you move into the ongoing maintenance phase. To maintain your plans successfully, you need to be aware of tasks that you should perform on an ongoing basis and learn which of these tasks you can perform on the client Web site.

Client Postimplementation Tasks

The following table summarizes tasks performed by clients after implementation and when they may be performed. Note that ongoing tasks may take place at any time during the year.

Task	Ongoing	Monthly	Yearly
Change participant data	✓		
Change participant contributions	✓	✓	✓
Enroll newly eligible plan participants (midyear)	✓		
Terminate a participant from the plan	✓		✓
Answer participant questions	✓		
Change client profile data (employer, contacts, payroll)	✓		
Change bank account information (client or participant)	✓		
Change payroll frequencies or codes	✓		
Review reports	✓	✓	✓
Send Contribution file to ADP (if applicable)	✓		

Task	Ongoing	Monthly	Yearly
Change plan details and associated documents			✓
Hold open enrollment and enter or send enrollment file			✓

Performing Client Tasks on the Web Site

You can perform the following postimplementation tasks on the Web site when you are logged on as a client:

Task	Description
Review online reports	Open various reports available from the Web site or download and save the report
Change participant data	Make changes to participant data, such as demographic data, internal department, or employee codes
Change participant contributions	Update an employee's contributions midyear or during open enrollment. Commuter Benefits contributions can be changed monthly
Enroll newly eligible plan participants	Enroll a new hire or newly eligible employee into the plans the employee selected
Terminate a participant from the plan	Terminate an employee from a plan
Change client profile data	Add or edit your contact information for the main contact and additional contacts

Benefits eXpert Users

If you are using ADP's Benefits eXpert®, many of the tasks commonly performed through Benefits eXpert are sent directly to the FSA Web site through a file feed. This process automatically populates some fields on the FSA Web site. Benefits eXpert sends the following data directly to FSA:

- Newly enrolled participants
- Demographic changes to participant data (excluding direct deposit information)
- Participant eligibility updates
- Changes to participant contributions
- Participant plan terminations

See the appendix for more information for Benefits eXpert users.

Guideline

Before making any changes on the Web site, you must contact Client Services for the following client postimplementation tasks. Many of these changes can have multiple implications for the client or the participant.

- Change plan details and associated documents (immediately prior to the next plan year)

- Change employer's address

- Change payroll frequency

- Add a new payroll group

- Change deduction codes

Changing Client Profile Data

Description

The second tab on the client Web site is the Client Profile tab. By clicking the appropriate links in the Steps section, you can access the following data:

- **Employer Info:** Displays employer demographic data

- **Contact Info:** Allows you to add or edit contacts for various functions

- **General Payroll:** Displays the payroll information entered during implementation including payroll name, pay frequency, company code, and ADP's payroll region

- **Login User List:** Allows you to add, edit, and assign roles to users. Based on the role, the user has specific read/write access to various features on the Web site.

Although you can edit data on the Employer Info and the General Payroll pages, you should contact an ADP Client Services account specialist before making any of these changes on the Web site as they may affect other functions.

Adding Web Site Login Users

Select **Client Profile** > **Login User List**.

Description

The login ID assigned by ADP to your company's primary contact has full privileges on the system. However, others in your company may need to access the Web site but without full privileges. If you logged on using the primary login information, you can access the user administration page, add additional users, and assign the appropriate role to each.

The following table describes the four roles that can be assigned to a user and the rights associated with each role:

Role	Rights
Plan Admin	Full privileges – same function as the primary login
HR User Level 2	Read/write – can read and change data with the exception of plan design information
HR User Level 1	Read-only – can read but not change any information
Finance	Reports only – can only view the Reports tab

Once you add a new user, that person will be assigned a unique login name and password to access the Web site.

Instructions

1. Select the **Client Profile** tab.

2. In the Steps section, click **Login User List**.

   Result: The User Listing page displays.

3. Click **Add New User**.

   Result: The Add New User Details page displays.

4. Enter the new user's data.

5. In the Role field, select the appropriate role.

6. Click **Save**.

   Result: The system assigns a login name which displays on the following screen.

7. Click **Email Default Password**.

   Result: The login name and password are sent to the new user.

8. In the Steps section of the Client Profile tab, click **Login User List**.

   Result: The new user has been added to the list.

User ID	Last Name	First Name	UserName	Current Role(s)	Active	View/Edit
4423	Hollis	Dana	hdana	HR User Level 1	T	Edit
4424	Ho	Michael	hmichael	HR User Level 2	T	Edit

To edit the user's data, change the assigned role, or make an active user inactive, click
the Edit button next to the user on the User Listing page. You can make changes on the
User Details page. If a user should no longer have access to the Web site, you should
click to clear the Is Active option on the User Details page to make the user inactive.

Once you add users, you can then use the Search feature at the top of the Login User List
page to search for users by first name, last name, group (the role), or status (active or
inactive).

Changing Participant Data

Overview

As you maintain your plans and users, you may need to update certain types of participant data. As a client Web site user, you may have been assigned the rights to edit participant data on the Web site.

Description

Depending on your company's policies and procedures, you may want employees to send all change requests to a specific client contact, or you can request that employees enter changes to their profile data on the participant Web site.

Participants can only make limited changes as follows:

- Profile changes

  - E-mail address
  - Phone numbers
  - Direct deposit (if your company offers direct deposit of reimbursements)
  - Password and security question

- Contribution changes to Commuter Benefits plans only

The employer can change the following types of participant data on the client Web site:

- Employee demographic data (name, address, phone numbers, e-mail address)

- Key dates (birth date, hire date, termination date)

- Banking information (for direct deposit only, if your company allows for direct deposit)

- Internal organizational and employment information (such as departmental codes, employee ID's)

- Employee contributions

Guideline

When making participant address changes on the Web site, you also need to reflect these changes in your payroll system. The changes should be entered in both your payroll system and the FSA Web site during the same payroll period.

Once an election has been made, the participant generally cannot change the election for the remainder of the year. The following table describes a few exceptions to this rule:

IF:	THEN the participant can:
a qualified life change event occurs, such as marriage, divorce, or the birth of a child	notify the employer of the life change event and, based on the type of event, request an increase or decrease to the contribution for Health Care and Dependent Care FSAs **Note:** The plan administrator (employer) chooses whether to allow contribution changes based on these life change events.
a participant is enrolled in a Commuter Benefits plan	change contributions on a monthly basis

Finding an Employee's Record

To make changes to a participant's data, you need to access the participant's record. To do this, select the Plan Administration tab to display the Plan Administration page. On the Plan Administration page, you can locate a participant by

1. First letter of the last name
2. Last name
3. Social security number

Once you access the employee's record, you can locate the data you need to change for that employee.

Entering a Participant's Parking Contribution

Description

Participants may request changes to Parking contributions on a monthly basis. You can enter these changes on the Web site, making sure to enter the effective date as the first of the month.

Instructions

1. Select the **Current Elections** tab.

2. Scroll down to the **Parking** plan.

3. In the Employee Pre-Tax Contribution field, type the new contribution amount.

4. In the Effective Date field, type the effective date for the change.

5. Click **Save**.

Field Descriptions

Employee Pre-Tax Contribution: The monthly amount the employee has selected to have deducted from his or her paycheck and used as a contribution toward the plan. These funds are deducted before taxes.

Employer Contribution: If an employer chooses to contribute toward a plan, this amount is typically provided as a one-time contribution.

Employee Post-Tax Contribution: For Commuter Benefits, participants may choose to contribute to a plan with post-tax funds if the employer decides to offer this option.

Total Election: The system automatically calculates the total election based on the employee pretax, employer, and employee post-tax contributions.

Effective Date: For Commuter Benefits plans, the effective date is the first day of the month. The month that it becomes effective is based on when the request was submitted.

The following table illustrates the correct use of the Effective Date field for Commuter Benefits plans:

IF the participant's request is received:	**THEN** the effective date is:	**EXAMPLE**
before the sixteenth of the current month	the first of the following month	A participant requests a contribution change on February 10. The effective date will be March 1.
after the sixteenth of the current month	the first of the month after the following month	A participant requests a contribution change on February 24. The effective date will be April 1.

Guideline

When making contribution changes on the Web site, you also need to reflect these changes in your payroll system.

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Enrolling New Plan Participants Midyear

Description

Open enrollment is the time of year that employees enroll in FSA or Commuter Benefits plans and new participants are added to the Web site. Two additional events require you to enter a new participant during the plan year other than during open enrollment:

- New hire
- Newly eligible employee

If your company has specified eligibility requirements for employees to participate in the FSA or Commuter Benefits plans you offer, an employee may meet those requirements at any time during the year. When this happens, an employee may enroll in those plans for which he or she is now eligible without waiting for the next open enrollment period.

Some examples of eligibility requirements include the following:

- Full-time employees only
- Salaried employees only
- After working a specified number of days
- A specified number of days following hire
- Reaching a specified service date

You can use the Web site to add new participants at any time, either by entering their information one at a time or by importing a file using a template supplied by ADP.

Instructions – Entering Employee Profile Data

1. On the Plan Administration page, click **Add Employee**.

2. Enter the employee profile data.

Employee Profile Page: Section Descriptions

Demographic Information

Use this section to enter the participant's demographic information such as social security number, name, and address. Note that most of the fields in this section are required and indicated by the red asterisk. Demographic data can be changed at any time; however, once the record is saved the social security number is no longer an editable field. If you need to change a social security number, you will need to contact ADP's Client Services.

|		
Social Security Number:*	525117003	format: XXXXXXXXX
First Name:*	Barbara	
Middle Initial:		
Last Name:*	Taylor	
Address 1:*	22 Oak Street	
Address 2:		
City:*	Cutten	
State:*	CALIFORNIA	CA
Postal Code:*	95534	
Country:	USA	

Contact Information

Use this section to enter the participant's e-mail address, phone numbers, and fax number. These fields are not required, and the participant can complete this section when accessing the Web site. To receive information such as help responses via e-mail, the participant must complete the e-mail address field.

Contact Information:

Email:	barbara_taylor@gvg.co	
Home Phone:		format: 555-555-5555
Business Phone:	845-655-2431	format: 555-555-5555 or 555-555-5555x5555
Fax Phone:		format: 555-555-5555

Key Dates

Use the Key Dates section to enter the hire date, birth date, and termination date for the employee. If you inadvertently enter data in the termination date field, you will turn off the participant's account.

Key Dates:	
Hire Date:	10/16/2003
Birth Date:	07/19/1976
Term Date:	

Banking Information

You enter the participant's reimbursement selection in the Banking Information section. Participants can choose to receive plan reimbursements for paper claims via check or direct deposit to a bank account. For a participant to select direct deposit, your company must sign up with ADP to offer direct deposit as an option. You must complete all of the fields in this section.

If you select No in the Direct Deposit field, the EFT Account Type defaults to Pay By Check and the remaining fields are shaded.

If you select Yes in the Direct Deposit field, you must complete the EFT Account Number, EFT Routing Number, and the Account Type fields.

Banking Information:	
Direct Deposit:*	No
EFT Account #:*	-- Not Required --
EFT Routing #:*	-- Not Required --
EFT Account Type:*	Pay By Check

Payroll

The Payroll section of this page lists the payroll groups to which the participant should be assigned. Each option is a combination of the three-letter company code and the pay frequency.

Payroll:	
Employee Payroll:*	--126

Organizational Code

Use the Organizational Code section to enter internal codes that apply to each participant. The type of data you will enter in each field was determined during your company's implementation. If you do not know the type of data that should be entered here, you can contact the person in your company who worked on the implementation or an ADP Client Services account specialist.

Note that not all companies will use this section.

Organizational Code: [i]

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Employment Information

You can use the Employment Code field to enter data such as F for Full Time or P for Part Time. The type of data you will enter here is determined by your company. You can also enter the average standard hours, especially if one of your eligibility requirements is that employees achieve a minimum number of hours worked each week.

Note that not all companies will use this section.

Employment Information: [i]

Employment Code: F [i]
Average Standard Hours: 40 [i]

Plan Eligibility

If you set up your plans with eligibility requirements, you will see each plan listed and, typically, Apply Rules has been selected. You can override the rules by selecting Eligible or Ineligible.

Plan Eligibility: [i]

Health Care FSA Apply Rules ▾
Dependent Care FSA Apply Rules ▾

For more information about entering a new participant via ADP's FSA and Commuter Benefits client Web site, refer to the Plan Administration section of the *FlexDirect Client Web Portal User's Guide*.

Instructions: Entering Employee Election Data

1. Click **Save**.

   Result: A message displays indicating that you have successfully added the employee profile data.

2. At the top of the page, click **Click Here to Enter Elections**.

   Result: The Future Elections and Leave of Absence tabs display.

3. Select the **Future Elections** tab.

4. Enter the appropriate contribution information for each plan the employee has selected.

Guideline

In the event of an unpaid Leave of Absence, please contact Client Services to discuss the participant's contribution payment options.

5. Click **Save**.

Note: You should enter a monthly contribution amount for Commuter Benefits and a per-paycheck contribution for Health Care and Dependent Care FSAs.

For more information about entering elections for an employee, refer to the Plan Administration, Elections section of the *FlexDirect Client Web Portal User's Guide*.

Terminating a Participant from a Plan

Description

You may need to terminate a participant from a plan for the following reasons:

- Employee is terminated from the company
- Employee no longer wishes to participate in the plan during open enrollment
- Employee is no longer eligible to participate

Employee Is Terminated from the Company

If an employee is terminated from your company, you need to enter the termination date on the Web site in addition to other employee systems such as payroll and benefits.

Once you terminate an employee from an FSA or Commuter Benefits plan, the terminated employee may still be eligible to submit claims during the grace period following termination.

The grace period is a specified number of days in which the employee can file claims following termination from the plan. Your company established the length of the grace period for each plan during implementation. The terminated employee can continue to submit claims for expenses incurred during the plan year and during employment. A typical grace period is 90 days.

Employee No Longer Wishes to Participate

Enrollment in Commuter Benefits plans is automatically renewed each year, so a participant does not need to submit an enrollment form during each open enrollment period. This differs from FSAs for which the participant's enrollment information is only valid for the plan year.

Employee Is No Longer Eligible to Participate

During the plan year, an employee may lose eligibility to participate in an FSA or Commuter Benefits program based on the eligibility requirements of your company. A loss of eligibility may be due to a change in hours, a change to inactive status, or other changes affecting eligibility.

The following table summarizes how to end a participant's participation in either an FSA or Commuter Benefits plan:

Event	Administrator Action	Result
Termination	1. On the FSA Web site, enter the termination date in the Term Date field. 2. Remove the deduction from your payroll system.	The employee is no longer a participant in FSA or Commuter Benefits. Claims with a date of service later than the Term Date will no longer be paid out and the stored value card (SVC) will be de-activated.
Loss of Eligibility	1. On the FSA Web site, change the contribution and goal amount to zero. 2. Use the date of ineligibility as the Effective Date on the FSA Web site. 3. Remove the deduction from your payroll system.	The employee is no longer a participant in FSA or Commuter Benefits. Claims with a date of service later than the Effective Date will no longer be paid out and the SVC will be deactivated.
During Open Enrollment, Employee Does Not Elect FSA Benefits	1. Confirm that you did not receive an FSA enrollment form from the employee. 2. Remove the deduction from your payroll system.	You do not enter data for the upcoming plan year, and the employee is no longer considered a participant in FSA.
During Open Enrollment, Employee Elects to End Commuter Benefits	1. Confirm receipt of employee notification to end Commuter Benefits. 2. On the FSA Web site, change the contribution amount to zero. 3. Remove the deduction from your payroll system.	The employee is no longer a participant in Commuter Benefits.

Instructions

1. Select the **Plan Administration** tab.

2. Locate the employee.

3. Select the **Employee Profile** tab and then scroll down to the **Key Dates** section.

4. In the **Term Date** field, enter the employee's termination date.

Key Dates:	
Hire Date:	10/16/2003
Birth Date:	07/19/1976
Term Date:	08/25/2004

5. Click **Save.**

Guidelines

- You should only enter a date in the employee's Term Date field on the Web site and in your payroll system if the employee is actually being terminated from the company. You should enter the termination date as soon as possible so that claims are not processed for expenses incurred after the termination date.

- If this is a rehire that was previously enrolled in an FSA or Commuter Benefits Plan, remove the termination date from the termination date field on the Web site to reactivate the FSA or Commuter Benefits account and update all applicable information.

- If you need to track the rehire's historic data including the initial termination date in your payroll system, you should have a separate field created to capture that data.

Viewing Plan Reports

Overview

ADP provides a variety of reports about your FSA and Commuter Benefits plans. Many are available to you directly on the Web site and others are provided to you via e-mail from ADP. You can view reports that contain information such as

- A listing of daily transactions
- Plan enrollment data
- A monthly summary of transactions

Description

The following table indicates the reports available to you, the purpose of each report, and when the reports are updated:

Report Name	Report Details	Available Online?	Updated		
			Daily	**Monthly**	**Yearly**
Transaction report	Displays the daily debits to the employer's bank account applied for SVC, direct deposit, or check payments	Yes	✓		
Stale Dated Checks report	Lists reimbursement checks issued by ADP that are now stale. (If a check has not been cashed within a specified number of days, it is considered stale, meaning it can no longer be cashed.)	Yes		✓	

Report Name	Report Details	Available Online?	Updated		
			Daily	Monthly	Yearly
Miscellaneous Adjustments report	Displays special credits made to the client's account such as funds recovered from a participant for ineligible expenses	Yes		✓	
Summary Account Statement	Displays a summary of daily transactions, including contributions and payments	No		✓	✓
Enrollment report	Lists participants and their elections	Yes		✓	

Opening and Viewing the Transaction Report

Description

You can use the Transaction report to review the debits to your designated FSA and Commuter Benefits bank account. The report will list the stored value card (SVC) transactions and the reimbursements sent via check or direct deposit to your participants.

The Transaction report is updated daily, and you can access it online. Reports available on the Web site are listed by processing date.

The Transaction reports are available online for 60 days. After that, you will need to contact an ADP Client Services account specialist to obtain a copy of an older report.

Instructions

1. Select the **Reports** tab.

| Client Checklist | Client Profile | Plan Design | Plan Administration | Reports |

Reports

Choose a report type from the drop down list below. All available reports of that type will be listed, most recent first, for you to download by clicking on the report name. Any report that has never been accessed will be listed in bold type.

Transaction Report Codes

FAQ

Available Reports

| Choose report type | Select report type ▼ |

2. On the **Choose Report Type** list, select **Transaction Report**.

   Result: A list of available transaction reports displays by date.

Report Name	Report Date
99994-2004-2301-GVG DESIGNS(1) 03182004.xls	03/18/2004
99994-2004-2308-GVG DESIGNS(4) 03162004.xls	03/17/2004
99994-2004-0014-GVG DESIGNS 03152004.xls	03/15/2004
99994-2004-2252-GVG DESIGNS 03142004.xls	03/14/2004

3. Click a report link for a specific date.

   Result: A dialog box displays asking if you want to open or save the file to your computer.

4. Click **Open** to view the report.

5. Click **Open** again.

> **Result:** The report displays in Microsoft® Excel.

ADP Benefit Services Transaction Report

Client: GVG Designs, Ltd.
Client ID: 99994-XYZ-ADP99994F
Plan Year: 2004
CSM: Always Cheerful
Date: 3/15/2004

Plan ID	Pay Type	Activity Dat	Name	SSN	Payment	Trans Typ	Trans Nbr	Codes
DC	CHK	3/15/2004	HOLLIS, DANA	###-##-4009	$465.41	CHK	9994891	
DC	CHK	3/15/2004	HO, MICHAEL	###-##-7003	$325.00	CHK	9994892	
HC	EFT	3/15/2004	TAYLOR, BARBARA	###-##-9999	$66.01	DD	98	
HC	EFT	3/15/2004	TAYLOR, BARBARA	###-##-9999	$30.00	DD	99	
HC	POS	3/12/2004	HOLLIS, DANA	###-##-4009	$10.00	SVC	0	
P	POS	3/13/2004	GUERRA, DANIA	###-##-7683	$60.00	SVC	0	
T	POS	3/13/2004	GUERRA, DANIA	###-##-7683	$20.00	SVC	0	

Plan Type	Count	Amount
Dependent Care FSA	2	$790.41
Health Care FSA	22	$3,149.78
Parking	1	$60.00
Transit	2	$40.00
TOTAL	**27**	**$4,040.19**

Your account will be debited as follows:

3/12/2004	FSA POS D	$597.77	mbi (MoneyMaker)
3/13/2004	FSA POS D	$1,031.10	mbi (MoneyMaker)
3/13/2004	CB POS DI	$100.00	mbi (MoneyMaker)
3/15/2004	DD/Chk Det	$2,311.32	ADP Tax & Financial Svcs
		$4,040.19	

Recent Account History

Date	Type	Amount	Organization
3/12/2004	FSA POS D	$208.78	mbi (MoneyMaker)
3/12/2004	DD/Chk Det	$663.00	ADP Tax & Financial Svcs
3/11/2004	FSA POS D	$3,390.19	mbi (MoneyMaker)
3/11/2004	DD/Chk Det	$1,299.50	ADP Tax & Financial Svcs
3/10/2004	FSA POS D	$782.25	mbi (MoneyMaker)
3/10/2004	DD/Chk Det	$471.00	ADP Tax & Financial Svcs

Adjustments (Credits will be issued separately to your account.)

Plan ID	Pay Type	Adjust	Name	SSN	Payment	Trans Type	Trans Nbr	Co Code
DC	CHK	Check Void	BANTA, STEVEN	###-##-3991	($44.00)	V	3847225	WNE

Section Descriptions

Client Data (section 1): This section displays the client's name, ID, plan year, the ADP Customer Service manager's name (CSM), and the report date.

Report Detail (section 2): The following fields are included in the detail section of the report:

- **Plan ID:** Indicates whether the transaction was for an employee's Dependent Care (DC), Health Care (HC), Parking (P), or Transit (T) plan.

- **Pay Type:** Indicates whether the reimbursement was sent to the employee via check (CHK) or electronic funds transfer (EFT) or if the payment was made at the point of service (POS).

- **Activity Date:** Displays either the check date, direct deposit date, or card charge settlement date.

- **Name:** Indicates the participant's name.

- **SSN:** Displays the participant's social security number.

- **Payment:** The amount of the employee's reimbursement or, if using the stored value card, the amount of payment to the vendor.

- **Transaction Type:** The following are the possible transaction types:

  - CHK: Check
  - DD: Direct Deposit
  - E: Direct Deposit Reject
  - P: Unscheduled Payment
  - R: Reissued Payment
  - SVC: Stored Value Card Purchase
  - SC: Stored Value Card Return/Credit
  - V: Direct Deposit Reversal/Check Void

- **Transaction Number:** Indicates the check number or direct deposit number.

- **Codes:** If your company uses a company code, this code displays here.

Summary (section 3): Displays a summary of each plan type, the total number of transactions for that plan type, and the total amount paid for each plan type.

Account Debits (section 4): Displays the amounts debited from the client's account by date and type of transaction (POS or DD/CHK).

Recent Account History (section 5): Provides a recent history of debits made to the client account.

Adjustments (section 6): Displays any special credit adjustments made to the client account, such as voided checks or money received from a participant to pay for an ineligible expense placed on the stored value card.

Note: You can access a list of all the codes used on the Transaction report on the Web site by clicking Transaction Report Codes on the left navigation bar of the Reports page.

Stale Dated Checks and Miscellaneous Adjustments Reports

You may also see the Stale Dated Checks report and the Miscellaneous Adjustments report in the Choose Report Type list on the Reports page. These reports will only appear in the field list if there are any stale dated checks or miscellaneous adjustments to report.
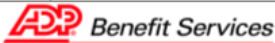
Stale Dated Checks Report

You can use this report to review the uncashed checks that have been issued to participants for reimbursements. If a check is not negotiated within 180 days, ADP deems it as stale and the check is no longer valid for cashing. The amount will be credited to the employer's bank account.

The following is a sample Stale Dated Checks report:

Miscellaneous Adjustments Report

You should review the Miscellaneous Adjustments report for any special credits made to your bank account. An example of a credit you may see is for funds recovered from a participant for ineligible expenses that were already paid to a merchant via the SVC.

The following is a sample Miscellaneous Adjustments report:

ADP Benefit Services Misc Adjustments Report

ADP Benefit Services

Client: Any Company, Inc.
Client ID: 99994-XYZ-ADP99994F
CSM: Always Cheerful
Date: 5/6/2004

Plan ID	Plan Year	Activity Date	Name	Type	Amount	Description
HC	2004	5/6/2004	Smith, Susan	Credit	($3.50)	ADJ/Overpay Recovery
HC	2004	5/6/2004	Bednar, Joyce	Credit	($5.34)	ADJ/Overpay Recovery

A credit will post to the client account for the total of the monthy adjusments.

Plan Type	Count	Amount
Health Care FSA	2	($8.84)
TOTAL	**2**	**($8.84)**

Adjustments will appear in your account within the next 10 days.

*** End of Report ***   5/6/2004 7:58

Opening and Viewing the Enrollment Report

Description

You can open the Enrollment report to view a list of participants, the plans in which they are participating, their contributions, and their goal amounts. The report is updated monthly and you can access it anytime.
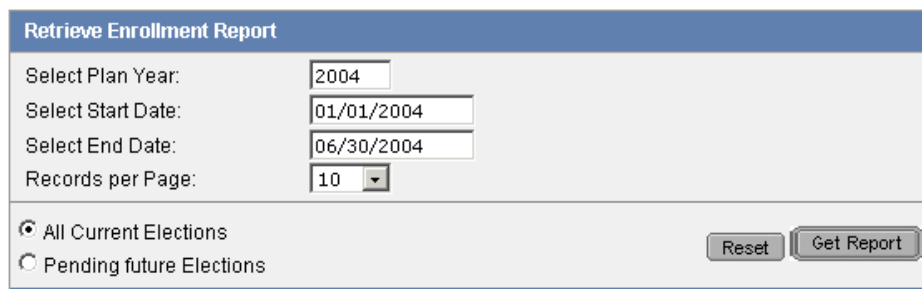
You can select several criteria to view the Enrollment report. You can view the report by plan year, by a set (range) of dates within which participants elected to participate in the plan, and by current or future elections.

Instructions

1. Select the **Plan Administration** tab.

2. Click **Get Enrollment Report**.
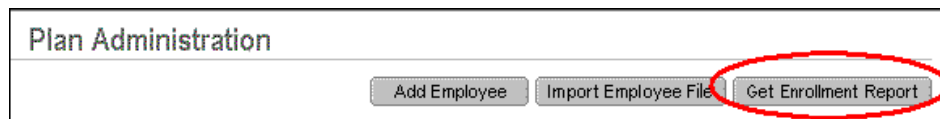
3. On the Retrieve Enrollment Report page, enter the plan year, the start date and end date for participant elections, the number of records to view per page, and whether to display current or future elections.

4. Click **Get Report**.

   Result: The Enrollment Report displays.

Social Security #	Employee ID	First Name	Last Name	Pay Cycle	Plan ID	Pre-Tax Ctrb	Goal	Effective Date
212564009	0000000329	DANA	HOLLIS	624	HC	80.00	1920.00	1/1/2004
212564009	0000000329	DANA	HOLLIS	624	DC	30.00	720.00	1/1/2004
525117003	0000000352	MICHAEL	HO	624	HC	208.33	4999.92	1/1/2004
525117003	0000000352	MICHAEL	HO	624	DC	208.33	5000.00	1/1/2004

You can view the report online or you can save it to your computer. If you save the report, it is exported as a comma separated value (CSV) file which can be opened in Microsoft Excel. The save option is located at the bottom of the page. You can edit the filename of the report in the Save This Report As field as shown.

Save Enrollment Report

Save this report as:	99994-EnrollmentReport.csv
	Save Report

Guidelines

- When saving your reports, you should set a standard for naming the files. You may want to include the date of the report in the filename to reflect accurately when the report was retrieved.

- You should be aware that when you save the CSV file and open it in Microsoft Excel, all the leading zeros will be dropped.

Supporting Plan Participants

Overview

It is important that the client contacts within your company are familiar with the participants' responsibilities and tasks. This ensures that you have a better understanding of the FSA and Commuter Benefits plans in your company and allows you to answer your participants' questions accurately.

Important concepts to know about the participant side of ADP's FSA and Commuter Benefits plans are

- The reimbursement process
- The need for substantiation
- Reasons for claim denials
- The claim appeals process
- How and when participants (and nonparticipants) can use the Web site
- How to view account activity

The Reimbursement Process

The reimbursement process differs depending on whether a paper claim was submitted or the purchase was made using an SVC.

Paper Claim Process

If a participant pays for an expense out of pocket, the employee needs to submit a paper claim for reimbursement. ADP processes and adjudicates the claim (reviews and judges whether or not the claim is eligible).

ADP adjudicates paper claims to determine the following:

- The employee has attached valid receipt(s) for the item(s) listed on the claim form.
- The plan does not prohibit the item(s) or service(s) that were provided.
- The employee has signed and dated the claim form.

If ADP approves the claim, the reimbursement is issued.

The following diagram illustrates the reimbursement process for paper claims:

```
            ┌──────────────┐
            │ Participant  │
            │   submits    │
            │ paper claim  │
            └──────┬───────┘
                   ▼
            ┌──────────────┐◄──────────────┐
            │     ADP      │               │
            │  processes   │               │
            │    claim     │               │
            └──────┬───────┘               │
                   ▼                       │
            ┌──────────────┐               │
            │     ADP      │               │
            │  adjudicates │               │
            │    claim     │               │
            └──────┬───────┘               │
                   ▼                       │
               ◢──────◣        No    ┌──────────────┐
              ◢  Claim  ◣──────────► │  ADP denies  │
              ◥ approved◤            │    claim     │
               ◥   ?  ◤              └──────────────┘
                   ▼  Yes
            ┌──────────────┐
            │ ADP generates│
            │   payment    │
            └──────────────┘
```
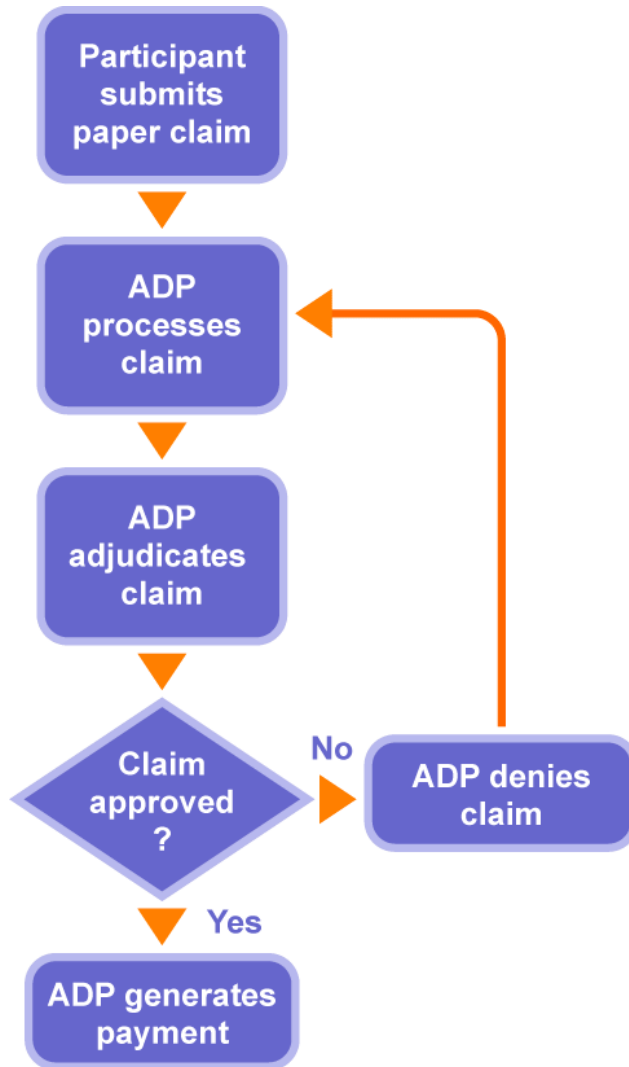
Stored Value Card Process

ADP adjudicates SVC transactions to determine the following:

- If the provider is a valid merchant

- For Dependent Care and Commuter Benefits, if sufficient funds are in the provider's account (automatically at POS)

- If the transaction amount matches one of the copay amounts (automatically at POS)

- If ADP requires substantiating documentation, ADP checks to make sure that the items listed on the substantiating documentation represent eligible expenses

The following diagram illustrates the reimbursement process for the SVC:
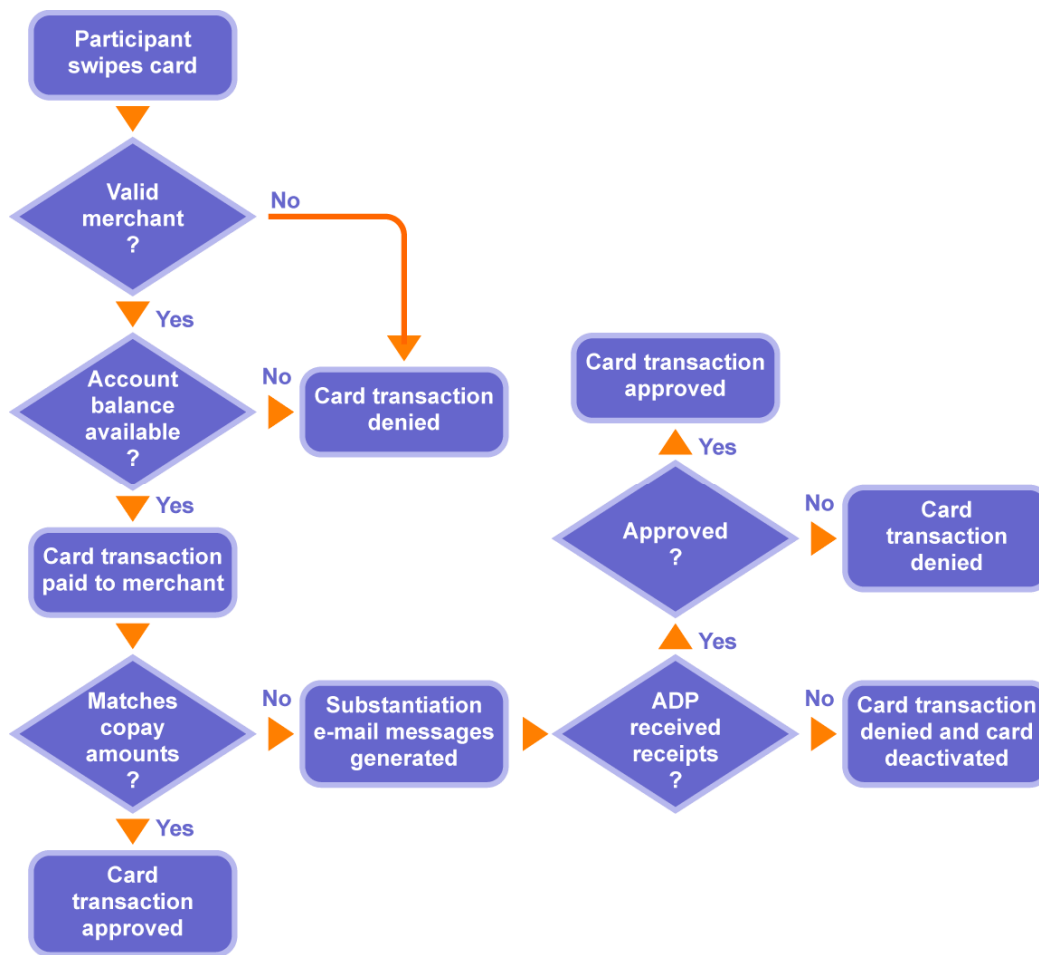
Substantiation

Description

Most participants are aware that they need to provide substantiating documents for the paper claims they submit. Just like paper claims, participants may also need to submit substantiation for expenses when they use the SVC.

When a participant uses the SVC, ADP receives only the date, total amount, card used, and the merchant ID. Since ADP does not receive item-by-item information, ADP cannot adjudicate each item from the transaction information initially received, and substantiating documentation is often required.

Substantiation Request Process

Substantiation for stored value card expenses is required when the amount put on the card does not match a copay amount. If the amount placed on the card matches a copay, the participant will not be required to submit substantiation.

In the substantiation request process, ADP makes the initial request for substantiation, initiates follow-up communications, and inactivates the card if the requested documentation is not provided.

The ADP process for requesting substantiation is as follows:

- **DAY 1 –** An e-mail, if an address is available, or U.S. Postal Service letter is sent to the participant requesting substantiation.

- **DAY 21 –** If substantiation is not received within 21 days of the initial request, a second e-mail message or letter is sent to the participant requesting substantiation.

- **DAY 36 –** If substantiation is not received within 15 days of the second request, a third and final e-mail message or letter is sent to the participant requesting substantiation.

- **DAY 56 –** If substantiation is not received within 10 days of the third request, an e-mail message or letter is sent to the participant indicating that the transaction has been deemed ineligible.

- **DAY 76 –** If substantiation has not been received within 15 days of the ineligibility notification, an e-mail message or letter is sent to the participant indicating that the transaction is ineligible and that the card status will be changed to inactive until the transaction is repaid.

When the participant submits the requested substantiation documentation to ADP, it must be accompanied by the Substantiation Form as outlined in the e-mail message or letter the participant received.

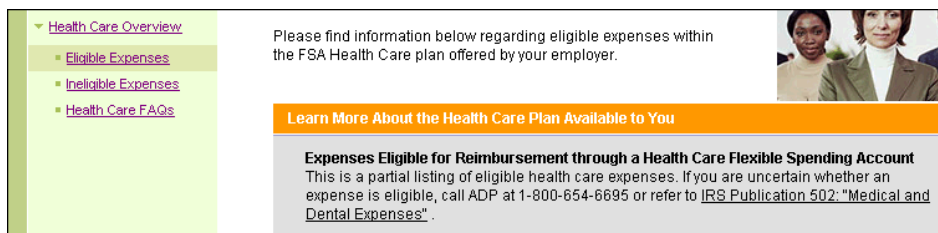# FSA and Commuter Benefits Claim Denials

Overview

When processing and adjudicating paper and SVC claims, if any of the information is not correct or complete or the necessary requirements are not met, the claim is denied.

Some reasons for claim denials are as follows:

- The expense is deemed ineligible.
- The date of service is not within the plan period.
- The claim was received after the grace period.
- The claim form was not signed.
- Receipts were not attached.
- Doctor's certification is needed.
- Funds are insufficient.
- For Transit or Parking, the monthly limit was already reached.
- A date was entered in the Term Date field.

Eligible vs. Ineligible Expenses

Claims may be denied because the expense was deemed ineligible. The Web site can help participants determine what expenses are eligible and ineligible. To access these lists, select the Learning Center tab, select a plan type, and then click the links to view eligible or ineligible expenses for that plan.

Note that the list of eligible and ineligible expenses on the Web site is generic. If a client decides to remove certain items from the eligible list on a specific plan, this will not be reflected on the Web site.

Appeals Process

The process for claim denials begins with ADP sending a Claim Notification letter to the participant. Once the notification is received, the participant can appeal the decision.

The following table describes ADP's claims appeals process:

#	Task	Timeframe	Responsible Party
1	Initial review/Claim Notification letter	Within 30 days of the date the claim was sent	ADP
2	First level appeal	Within 180 days of receipt of the Claim Notification letter	Participant
3	First level appeal determination	Within 30 days of receipt from the participant	ADP
4	Second level appeal	Within 60 days of receipt of the first level appeal determination letter	Participant
5	Second level appeal determination	Within 30 days of receipt from the participant	Client

Note that the appeals process is described in detail on the last page of the Claim Notification letter.

The Participant Web Site

Overview

Plan participants and nonparticipants can use the Web site to access information about FSAs and Commuter Benefits as well as information specific to the participant.

The following table provides a list of tasks that participants and nonparticipants can perform on the Web site:

Task	Participant	Nonparticipant
Edit personal profile data (phone, e-mail)	✓	
View account activity	✓	
Enroll in/edit direct deposit information	✓	
Download forms	✓	✓
Use the online calculator to determine tax savings	✓	✓
View FAQs, eligible vs. ineligible expenses	✓	✓

Plan Participant Tasks

Description

Once an employee receives a letter and welcome brochure from ADP and is notified by the client of active enrollment, the employee can register on the Web site.

An employee self-registers on the Web site by clicking the **Click Here to Register** link on the home page and entering a social security number and zip code in the fields provided. Once the system validates these fields, the employee can create a user name, password, and a security question and answer to use if he or she forgets the password. Once registered, employees should log on the participant section of the Web site for future visits to the site.

Once you are logged on as a participant, you can perform the tasks described in the following table:

Tasks	Page
View year-to-date contributions, payments, claims, and history; and change the monthly contribution for Commuter Benefits	Accounts at a Glance
Access information about the company-specific plans, FAQs, and eligible and ineligible expenses	Learning Center
Download forms and open the online calculator	Tools & Forms
View or edit demographic information, and enroll in or edit direct deposit information	Participant Profile

Note: Participants must notify their employer of any changes to profile information or to changes in Commuter Benefits monthly contributions for the deduction to be updated in the payroll system.

Enrolling in Direct Deposit

Description

If your company has elected to offer direct deposit, participants can enroll in direct deposit and edit related information such as bank account information online.

There is a 10-day prenote period before the direct deposit takes effect. The participant will receive paper checks until then for any claims submitted.

If a form is required for direct deposit, then the employer must notify the plan participants. Clients can also provide the direct deposit form online.

Instructions

1. Select the **Participant Profile** tab.

2. In the Direct Deposit field, select **Yes**.

3. In the **EFT Account Number** field, type the bank account number to which you want the reimbursements deposited.

4. In the **EFT Routing Number** field, type the routing number for the bank account.

5. In the Account Type field, select the appropriate account type.

Direct Deposit:	Yes ▾
EFT Account #:	#####86552 [?]
EFT Routing #:	####00339 [?]
Account Type:	Checking ▾

6. At the bottom of the page, click **Update Information**.

Viewing Account Information

Overview

Participants can view their account details online at any time. The account information page displays information about contributions, payments, claims, and year-to-date (YTD) history. Participants should view their account details to track activity and monitor funds.

For example, many participants may have money left over at the end of the plan year. If money is left in a participant's FSA account and the participant does not submit claims during the run out period, the money is forfeited to the employer. With Commuter Benefits, the leftover funds are rolled over to the next month, which could be in the next year.

To avoid losing unused funds, plan participants should review their account balances in the fall.

Accessing Participant Account Details

A participant accesses account information from the Accounts at a Glance page.

Accounts At A Glance

The FlexDirect plans you are participating in appear below. Click the details link to view information on claims, payments, and contributions.

Flexible Spending Accounts

Plan Name	Period ?	Available Balance ?	
Dependent Care FSA	2005 ▼	$384.54	Details
Health Care FSA	2005 ▼	$552.17	Details

Select **Details** to display participant account details.

Field Descriptions

Year to Date Contributions: This field displays the total amount of payroll deductions for the year to date. You can click the amount to view the detailed contributions by date.

YTD Payments: This field displays the amount of reimbursements paid to the participant, whether using the SVC or cash reimbursement. You can click the amount to view the details of the payments.

YTD Claims: This field displays the total dollar amount submitted as claims. The participant can click the amount to view the details of the claims submitted including the claim number, whether it was deemed eligible or ineligible, and the amount paid out.

Summary						
Plan Name	**Annual Goal**	**Year To Date Contributions**	**YTD Payments**	**YTD Claims**	**Available Balance** [?]	**YTD History**
Health Care FSA	$599.98	$138.46	$47.81	$47.81	$552.17	View

Available Balance: This field displays the YTD Contributions minus the YTD Payments.

YTD History: Click View to display each contribution, payment, claim, and SVC usage listed by date.

Summary						
Plan Name	**Annual Goal**	**Year To Date Contributions**	**YTD Payments**	**YTD Claims**	**Available Balance** [?]	**YTD History**
Health Care FSA	$599.98	$138.46	$47.81	$47.81	$552.17	View

Note: If you have transitioned to ADP's FSA and Commuter Benefits services in the middle of your plan year, participants will only see ADP-related data in their account views. Prior vendor amounts will not display.

Commuter Benefit Plan Summary

Participants enrolled in Commuter Benefits will see an additional account summary that will display any plan contributions that rolled over from the previous enrollment year.

Enrolled Commuter Benefit Plans: Summary				
Plan Year	**Plan Name**	**Spendable Pre-Tax Balance**	**Available Post-Tax Balance**	**Plan Year Totals**
2004	Commuter Benefit - T	$100.00	$0.00	$100.00
2005	Commuter Benefit - T	$100.00	$50.00	$150.00
	* Cumulative Totals	$200.00	$50.00	

* This amount represents your total combined balance for 2004 and 2005. This combined amount is immediately available to you for point-of-sale (FlexDirect stored value card) transactions. However, we are maintaining a traditional run-out period for paper claims. This means the plan year balances will remain seperated, and will be used to pay paper claims for service dates that match the plan year -- similar to an FSA. Once the run-out period is over (3/31/04), these balances will be combined.

Determining Annual Tax Savings Using the Online Calculator

Description

Participants can use the online calculators to determine the tax savings they could achieve if they changed their contribution level or enrolled in an additional FSA or Commuter Benefits plan.

Before using the calculator, employees should have the following information on hand:

- Annual salary

- Number of exemptions

- Pay periods per year

- Plan minimum (supplied by the employer)

- Plan maximum (supplied by the employer)

- The approximate annual expenses, depending on the plan, for any of the items shown in the following table:

Plan	Expenses
Health Care	• Copays • Vision • Dental • Medical supplies • Professional services • Medical treatment • Other eligible medical bills
Dependent Care	• In-home care • Daycare expenses • Nursery school • Dependent adult care
Transit	• Transit passes • Metro passes • Train fares • Van pooling • Other transportation cost
Parking	• Parking at/near work • Parking at subway or train station • Other parking costs

Instructions

1. Click on the FSA or COBRA online information link on the home page.

2. Select the **Tools & Forms** tab.

3. Select the **Calculator** link.

4. Enter the information in the required fields.

   Note: Required fields are denoted by an asterisk.

5. Click **Calculate Savings**.

   Result: A new window opens displaying the annual tax savings based on the information you entered.

Nonparticipant Tasks

Nonparticipants can access the Web site using the same Web address as clients and participants. Encourage employees to visit the Web site for information when deciding whether to participate in an FSA or Commuter Benefits plan.

Nonparticipants can perform the following tasks on the Web site:

- Get information about plans
- Get answers to common questions (FAQs)
- Download forms
- Use the online calculators to calculate tax savings

Summary

In this guide, you reviewed the following ADP FSA and Commuter Benefits Web site tasks:

- Editing client profile data on the Web site
- Changing a participant's plan contribution
- Enrolling a newly eligible plan participant on the Web site
- Viewing online reports
- Signing up on the Web site for direct deposit of reimbursements
- Viewing participant account activity on the Web site
- Using the online savings calculator to determine tax savings

Next Steps

This guide will help you perform important postimplementation tasks on the Web site as well as respond to participant inquiries.

From here you can

- View online reports
- Add contacts and users
- Add and edit new participants
- Review the Web site

Additional Information

Online Help	Click **Help** on the Web site. For answers to common questions and problems, visit <u>FAQ</u>.
Client Services Group	**678-893-5454**
Feature Guides	*FlexDirect Client Web Portal User's Guide*
Web-Based Tutorial	*Introduction to ADP's FSA Services*
ADP Resources	<u>http://www.majoraccounts.adp.com/events/demos/index.htm</u> ADP offers free product Webinars that present • An overview and demonstration of the product and/or service that you are interested in • Statistics and comments from industry experts • Reviews of how the product and/or service can benefit you and your organization
The Employee Benefits Institute of America Inc. (EBIA)	Provides publications, seminars, newsletters, and online tools and information regarding cafeteria plans, fringe benefits, and other employee benefits topics. For more information, visit <u>http://www.ebia.com.</u>

Appendix

Benefits eXpert Guidelines

Event	Enter Information in the Following Application	Result
New FSA Participant	Benefits eXpert	ADP's FSA Services is notified and will process all claims
FSA Participant Terminates Coverage	Benefits eXpert *Unless it is a change to the employment status, which should originate in payroll	ADP's FSA Services is notified and will discontinue payment of claims
Midyear Changes to FSA Contributions	Benefits eXpert	ADP's FSA Services is notified of new contribution amount Deduction amount is updated in payroll
Change Participant's Demographic Information	Benefits eXpert	ADP's FSA Services is notified of demographic change
Open Enrollment Elections	Benefits eXpert	ADP's FSA Services is notified of any changes Deduction amount changes are updated in payroll
Change Participant's Direct Deposit Information	FSA Web site	ADP's FSA Services is notified of change Electronic Funds Transfer (EFT) information is updated.
View Account Details	FSA Web site	Participant is able to verify contributions, reimbursements and claims
View FSA Activity Reports	FSA Web site	Administrator is able to view various FSA activity reports