

YOU can make **MORE**
money this year...

with the
**Flexible Benefits
Plan!**

Take advantage of your company's

Flexible Benefits Plan

And take home more money.

Lockard & Williams


INSURANCE SERVICES, INC.

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► Step I: Your Options

There are several accounts you can participate in with the Flexible Benefits Plan.

I. Healthcare Reimbursement Account

This account reimburses you for medical, dental & vision expenses not covered by insurance. You set aside money, tax-free, through regular payroll deductions. During the year, you can be reimbursed directly from your account for those qualified healthcare services provided they are not covered by insurance.

Common expenses that qualify for reimbursement are – doctor visits, deductibles, co-payments, prescriptions, dental services and orthodontics, chiropractor services, eye exams, glasses & contacts.

II. Dependent Care Reimbursement Account

This account reimburses you for daycare expenses for eligible children and adults. Through regular payroll deductions, you set aside part of your income to pay for these expenses on a tax-free basis.

To qualify, your dependent must be:

- A child under the age of 13, or
- A child, spouse or other dependent who is physically or Mentally incapable of self-care and spends at least 8 hours a day in your household.

Qualified expenses for reimbursement include – adult and child daycare centers, preschool and before/after school care.

Please note: A dependent care credit is available on your annual tax return. Whether or not to participate in the daycare portion of this plan depends on your income, filing status, number of dependents and annual daycare expenses. You will also receive your tax savings throughout the year, rather than once a year when you file your taxes. Contact your plan administrator for further information.

III. Additional Benefit

Your employer may have included benefits in addition to the programs described above. Your Human Resources Department will send notification, along with this enrollment brochure, if any such additional benefits are being offered at this time.

IV. Premium Savings Account

This account allows you to pay for your employer-provided health coverage and other insurance premiums with tax-free dollars. If you are covered under your employer's health and/or other insurance plans, you are automatically enrolled in this account! Be sure to let your employer know if you do not want your premiums paid tax-free.

► Step II: Determining Your Reimbursable Expenses

By completing the following information, you can calculate your annual reimbursement expenses. Take into consideration the services to be provided during the upcoming year for you and your dependents.

Healthcare Expenses		Estimated Annual Expenses and Tax Savings											
Medical (1)*		Total Healthcare Expenses (add 1 + 2 + 3) \$ _____											
Deductibles	\$ _____	Total Dependent Daycare Expenses \$ _____											
Co-payments	\$ _____	Total Other Reimbursable Expenses \$ _____											
Doctor visits	\$ _____	Total Expenses \$ _____											
Prescriptions	\$ _____	Tax Bracket Percentage (see below) _____ %											
Other	\$ _____	Annual Tax Savings \$ _____											
Total	\$ _____	(multiply Total Expenses by your Tax Bracket Percentage)											
Dental (3)*		Savings Amount Per Paycheck \$ _____											
Routine Check-ups	\$ _____	(divide total expenses by number of paychecks you receive each year - 52, 26, 24, 12)											
Fillings/Crowns	\$ _____	<div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>Tax Estimate Table</p> <p>Based on a combination of social security, federal, and state income taxes</p> <table border="0"> <tr> <td>If your annual household earnings are:</td> <td>Estimated tax rate is:</td> </tr> <tr> <td>Less than \$30,000</td> <td>25%</td> </tr> <tr> <td>\$30,000 to \$40,000</td> <td>29%</td> </tr> <tr> <td>\$40,000 to \$70,000</td> <td>31%</td> </tr> <tr> <td>Greater than \$70,000</td> <td>33%</td> </tr> </table> <p><i>These tax rates are estimates based on national averages and may not reflect your actual tax rate.</i></p> </div>		If your annual household earnings are:	Estimated tax rate is:	Less than \$30,000	25%	\$30,000 to \$40,000	29%	\$40,000 to \$70,000	31%	Greater than \$70,000	33%
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Less than \$30,000	25%												
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\$40,000 to \$70,000	31%												
Greater than \$70,000	33%												
Orthodontics	\$ _____												
Other	\$ _____												
Total	\$ _____												
Dependent Daycare Expenses													
Children	\$ _____												
Adults	\$ _____												
Total	\$ _____												
Other Reimbursable Expenses**													
Total	\$ _____												

* Cosmetic procedures like teeth bleaching and face lifts are not eligible expenses for reimbursement.

** An "Additional Benefit" may not be offered by your employer. Check with your Human Resources Department.

► Step III: Complete the Participation Form

Using the information you calculated in Step II, complete the attached Participation Form and return it to your Human Resources Department.

**Plan restrictions may apply. Check with your plan administrator.*

The following health care expenses qualify for reimbursement under a Flexible Spending Account (FSA) plan.*

Only health care expenses *not* reimbursed by insurance can be claimed. Prescription (Rx) required beginning 1/1/2011

Acupuncture (excluding remedies and treatments prescribed by acupuncturist)	Endodontist fees	Physician fees (cosmetic procedures not eligible)
Alcoholism treatment	Eyeglasses prescribed by your doctor	Podiatrist fees
Ambulance	Eye examination fees	Prescribed medicines
Artificial limbs/teeth	Eye surgery (cataracts, LASIK, etc.)	Psychiatric care
Chiropractors	Hearing devices and batteries	Psychologist and psychiatrist fees
Christian Science practitioner's fees	Home health care	Radiology
Contact lenses and solutions	Hospital bills	Routine physicals and other non-diagnostic services or treatments
Co-payments (doctor, dental, vision, pharmacy)	Insulin	Smoking cessation over-the-counter drugs (Rx)
Costs for physical or mental illness confinement	Laboratory fees	Smoking cessation programs
Crutches	Laser eye surgery	Surgical fees
Deductibles	Office visits	Weight loss over-the-counter drugs (Rx)
Dental fees (cosmetic procedures not eligible)	Obstetrics and fertility	Weight loss programs with a doctor's letter of medical necessity
Dentures	Oral surgery	Wheelchair
Diagnostic fees	Orthodontic fees	Vitamins, with doctor's letter of medical necessity
Dietary Supplements and vitamins with doctor's letter of medical necessity	Orthopedic devices	X-rays and MRI
Drug and medical supplies (syringes, needles, etc.)	Osteopath fees	
	Over-the-Counter drugs that are medically necessary like allergy medications, aspirin, or antacids (Rx)	
	Oxygen	
	Periodontist fees	

Items *requiring* a physician's letter listing a medical condition making the item necessary.*

Bedpans and ring cushions
Boost®/Pediasure®
Foot Spa
Herbs
Massagers
Massages
Minerals
Oxygen
Reconstructive surgery in connection with birth defect, disease, or accident.
Special supplements
Special school for disabled child
Special teeth cleaning system
Therapeutic support gloves
Vitamins
Weight loss programs and fees pertaining to a specific disease
Wigs for hair loss caused by disease

Health care expenses that *do not* qualify for reimbursement under an FSA plan.*

Cosmetic surgery, procedure, and/or medications
Dental bleaching
Hair restoration (procedures, drugs or medications)
Health club or gym memberships for general health
Marriage and family counseling
Over-the-Counter drugs or medications that re not prescribed by your physician
Weight loss programs for general health or appearance
Mail order prescriptions from another country
Premiums you or your spouse pay for insurance coverage (Payroll-deducted premiums sponsored by your employer are eligible under the Premium Only Plan.)

**Plan restrictions may apply. Check with your plan administrator.*

Accepted Over-the-Counter (OTC) Items*

Antiseptics

Antiseptic wash or ointment for cuts or scrapes
Antiseptic mouthwash
Benzocaine swabs
Boric acid powder
First aid wipes
Hydrogen peroxide
Iodine tincture
Rubbing alcohol
Sublime sulfur powder

Cold, Flu, Asthma and Allergy Medications

Allergy medications
Bronchodilator/expectorant tablets
Bronchial asthma inhalers
Cold relief syrup, tablets and drops
Cough relief syrup, tablets and drops
Flu relief syrup, tablets and drops
Medicated chest rub
Nasal decongestant spray, drops or inhaler
Nasal strips to improve congestion
Sinus and allergy nasal spray
Homeopathic sinus medications
Sinus medications
Vapor patch cough suppressant

Diabetes

Diabetic lancets
Diabetic needles
Diabetic supplies
Diabetic syringes
Diabetic test strips
Glucose meters
Glucose tablets

Ear/Eye Care

Airplane ear protection
Ear drops for swimmers
Ear water drying aid
Earwax removal drops
Homeopathic earache tablets
Contact lens solutions

Health Aids

Anti-fungal treatments
Denture adhesives

Diuretics and water pills
Hemorrhoid relief
Lice control
Medicated bandages
Motion sickness tablets
Respiratory stimulant ammonia
Sleeping aids

Menstrual Products

Pads
Liners
Tampons

Pain Relief

Arthritis pain reliever
Bunion and blister treatments
Itch relief
Orajel®
Pain relievers, aspirin and non-aspirin
Throat pain medications

Personal Test Kits

Cholesterol tests
Colorectal cancer screening tests
Home drug tests
Ovulation indicators
Pregnancy tests

Skin Care

Acne medications
Anti-itch lotion
Bunion and blister treatments
Cold sore and fever blister medications
Corn and callus removal medications
Diaper rash ointment
Eczema cream
Medicated bath products

Stomach Care

Acid reducing gum, liquid and tablets
Anti-diarrhea medications
Gas prevention tablets or drops
Ipecac syrup
Laxatives
Pinworm treatment
Upset stomach medications

Over-the-Counter (OTC) items*

(A prescription or letter of medical necessity is required for these items)

Adhesive or elastic bandages	Minerals
Blood pressure meter	Multivitamins
Cold or hot compresses	Saline nose drops
Eye drops	Special supplements
Foot spa	Special teeth cleaning system
Gauze and tape	Thermometers
Gloves and masks	Vitamins
Herbs	
Leg or arm braces	
Massagers	

OTC items – not acceptable*

Aromatherapy	Low "carb" food
Baby bottles and cups	Low calorie food
Baby oil	Mouthwash
Baby wipes	Oral care
Breast enhancement system	Petroleum jelly
Cosmetics	Shampoo and conditioner
Cotton swabs	Skin care
Dental floss	Spa salts
Deodorants	Sun tanning products
Hair regrowth	Toothbrushes

**Plan restrictions may apply. Check with your plan administrator.*