

Agenda Prepared: 9/19/2023  
Agenda Posted: 9/13/2023  
Prior to: 5:00 PM

# Paradise Recreation & Park District

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## NOTICE OF BOARD OF DIRECTORS COMMITTEE MEETING

**Committee:** Personnel Committee (*Bellefeuille/Goodlin*)  
**Date:** Tuesday, October 17, 2023  
**Time:** 3:00 p.m.  
**Location:** Via Teleconference and Terry Ashe Recreation Department, Room A

Notice:

The public may listen to this meeting via computer or telephone. The public may submit comments prior to the meeting via email to [bodclerk@paradisepspd.com](mailto:bodclerk@paradisepspd.com) before 1:00 p.m. on the day of the meeting and they will be read into the record. Please use the link to join the webinar: <https://us02web.zoom.us/j/83319895913?pwd=c3JOeG0zMTI2Q0wyOWdXMXI5WjhDQT09> Or via Telephone: Dial by your location: +1 669 900 9128 US (San Jose)  
Meeting ID: 833 1989 5913 Password: 6626

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**AGENDA:**

The Committee will meet to:

1. Discuss options for a new Flexible Spending Account
2. Request for Proposal- Salary Survey

**ATTACHMENTS:**

1. Proposal from Basic
2. Proposal from Apprize
3. Proposal from Employee Benefits Corporation

[https://paradisepspd.sharepoint.com/sites/BODMeeting/Shared Documents/\\_Committee.Personnel/2023/PC23./\\_PC\\_23.Agenda.docx](https://paradisepspd.sharepoint.com/sites/BODMeeting/Shared Documents/_Committee.Personnel/2023/PC23./_PC_23.Agenda.docx)

# Staff Report

October 17, 2023



DATE: 10/13/2023  
 TO: Personnel Committee  
 FROM: Sarah Hoffman, Administrative Assistant III  
 SUBJECT: New Flexible Spending Account ( FSA)

## Report In Brief

In the past, the District has used Healthsmart but recently that was recently purchased by United Healthcare and to align with their core business they would be terminating us. This is most likely because we don't have a large enough staff. The District has been reaching out to other smaller Districts to find new FSA provider. The District requested quotes from Flexible Benefit Services, Flex Administrators, Wealthcare, Advanced Benefit Strategies, American Benefit Administrators, Basiconline, Advantage Administrators, Employee Benefits Corporation, Aflac, and Advanced Benefit Strategies. This information was shared at the Personnel Committee meeting in September.

Since the last Personnel Committee meeting, 4 companies have responded. The providers that responded are Flex Administrators, who do not offer their services in California, Employee Benefits Corporation, Apprize, and Basic (CSDA uses them).

**Recommendation:** Provide staff with directions to move forward with finding and FSA provider.

## Attachments:

1. Proposal from Basic
2. Proposal from Apprize
3. Proposal from Employee Benefits Corp.

Document1  
 10/13/2023



HR Solutions Should Be Simple.  
**Keep it BASIC.**

[basiconline.com](http://basiconline.com)





## Company Summary

### About Our Company

Established in 1989, BASIC has grown into one of the largest TPAs in the nation, servicing over 20,000 employers nationwide. BASIC provides an HR ecosystem to employers and health insurance agents/brokers. Paired with our experienced staff, BASIC's proprietary software and solutions allow employers to control costs, manage risks, and maintain flexibility. **HR solutions should be simple. Keep it BASIC.**

### Serving Clients Coast to Coast for over 30 Years



### Commitment to Service

BASIC's commitment to service is in the numbers. We manage our processes and quality by measuring the key metrics of our operations. With below average industry hold times, an FSA and HRA claim accuracy rate of 99.95%, and an average claim processing time of 1 day; we understand that consistency is the key to success. Our integrated HR solutions paired with our commitment to service can provide full circle support for your business.

### Certified Experts

Our industry certified account managers take the time to thoroughly understand your unique business environment. As Federal and State laws continue to evolve, it's reassuring to know an expert is simply a phone call away.

HR solutions should be simple. Keep it BASIC.

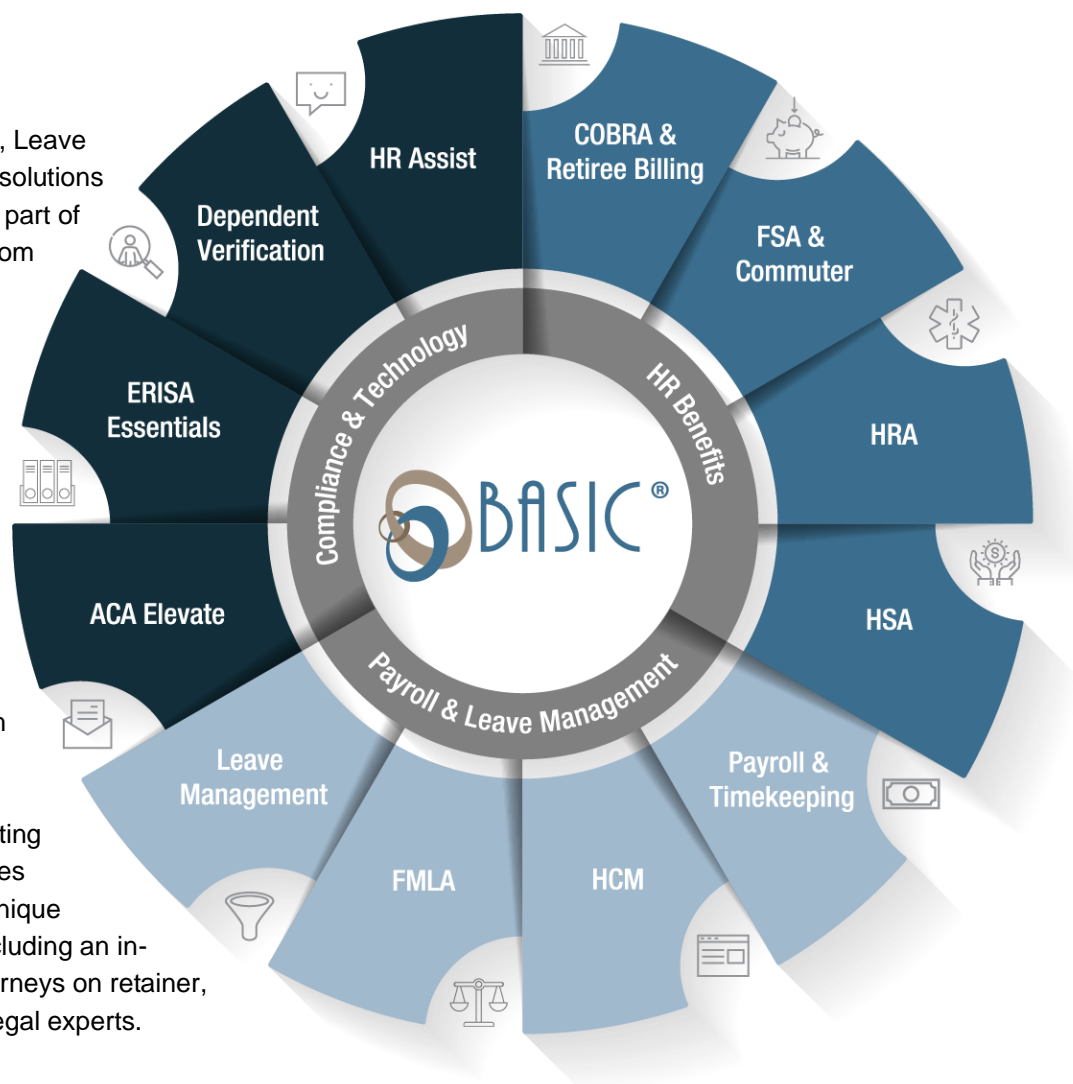
## Why BASIC

### Our Services

Our suite of HR Benefit, Payroll, Leave Management, and Compliance solutions are offered independently or as part of a platform of services. Our custom built FMLA, ACA, and Payroll Software were designed with our clients' needs in mind.

### Guaranteed Compliance

BASIC is focused and dedicated to ensuring compliance for all our services, including staying up to date with changes in regulations, making necessary process and system improvements, and communicating changes to clients. BASIC utilizes experienced attorneys for the unique areas of service we provide, including an in-house attorney, two ERISA attorneys on retainer, and many other distinguished legal experts.



### Awards and Honors

BASIC is committed to providing best-in-class service to our referral partners, clients we serve, and their employees.

- Awarded the Inc. 5000 Fast Growing Private Companies award four consecutive years
- Awarded the Service Award by the Independent Payroll Providers Association



## Testimonials

### FSA

“We needed a quick implementation due to my LOA being moved up and BASIC was able to make it all happen. It was a very smooth transition. My contacts at BASIC are quick to answer any questions I have and are more than willing to help out when asked without question. I love that I can contact a person directly instead of having to log a service ticket and wait up to 48 hours for an answer.”

- **Fabio Perini North America, Inc.**

### FSA – HRA

“With over 6,000 employees it is essential to have an experienced, reliable, third party administrator. As our needs have grown, we trusted BASIC to provide more services. They now administer our Flex and HRA. A single administrator is much easier than dealing with several different TPA's. Their staff are truly experts in benefit administration and their response time is great!”

- **Archdiocese of Indianapolis**

### HRA

“It has been a delight to work with BASIC. All of the areas of the company that I dealt have been extremely helpful. The transfer of information into the BASIC files was seamless; I have never experienced such a smooth transition. I highly recommend BASIC, they are ready to work with what you want rather than make you conform to their plan.”

- **America's Keswick**

### HRA - FSA

“We have worked with BASIC since 2003 and our Account Manager has always been able to assist me with questions that employees had concerning; dependent care reduction, eligibility with claims, new enrollment and renewal, the list goes on. We definitely appreciate the great customer service we receive from BASIC's FSA and HRA staff.”

- **Charter Township of Plymouth**



# BASIC CONSUMER DRIVEN ACCOUNTS (CDA)

## A Benefit Solution Like No Other...

BASIC CDA's single sign-on solution allows you to manage all your benefit plans and benefit continuation services (like COBRA) on the same platform for the utmost convenience – no more switching between systems! Both employers and participants can log on to a single platform, online or from our mobile app, and see all their benefit accounts and COBRA plans in the same place.

With BASIC CDA, you have the power to create a custom benefit program tailored to your employees' specific needs. Choose from a wide range of healthcare benefit accounts like FSA, Simple HRA, or HSA, and combine them with Dependent Care, Transit, Wellness Rewards, and Education Reimbursement accounts!

One of the advantages of CDA is the flexibility to add new accounts to meet changes in regulations, business culture, employee benefit trends, or marketplace demands. The options are truly endless.

## System Highlights

- ✓ **Recruit and retain employees by providing them access to over 30 in-demand and integrated benefit accounts.**
- ✓ **BASIC's one-stop solution provides benefit plan management and COBRA administration on the same platform – no more redundant systems, data entry, or wasted time!**
- ✓ **As regulations continue to change and your organizational needs evolve, you have the ability to turn on and off benefit plans that are fully integrated within the platform.**



### One System

Employers and participants can access all plans, whether active benefits or continuation services, via web login or the BASIC benefits mobile app.



### Better, More Responsive Service

Integration of all systems makes service requests easier and allows those requests to funnel into one customer service flow. Making administration straight-forward and response times more palatable.



### First-Class Security

Features like biometric login and role-based access are standard to keep you and your participants safe and secure.





## All Your Benefit Accounts in One Place

**Experience the ultimate convenience of benefits management on a single system.** Manage all your accounts including traditional benefits like FSA, HSA, and HRA, plus Fringe Accounts like Wellness, Home Office, Transit, and more! And now, manage COBRA and other benefit continuation services from the same platform. Gone are the days of logging in to multiple platforms for different benefits! This functionality is unique to the industry and makes benefits and COBRA administration easier than ever before!

## Choose From 30+ Integrated Benefit Accounts to Create Your Plan...

### Healthcare:

- Healthcare Flexible Spending Account
- Limited Purpose FSA
- Dependent Care FSA
- Health Savings Account

### HRA:

- Medical HRA
- Retiree HRA
- ICHRA
- EBHRA
- QSEHRA
- Wellness HRA
- Healthcare Premium (NESP) Reimbursement Account
- Emergency Expense HRA

### Wealth:

- Giving Savings Account
- Holiday Club Account

### Fringe:

- Commuter Account
  - Parking Account
  - Transit Account
- Emergency Loan Account
- Employee Achievement & Award Account
- Accountable Plans Account
  - Home Office Account
  - Travel & Business Meals Account
  - Work Clothes Account
  - Workplace Tools Account
  - Professional Business Expense Account
- Lifestyle Reimbursement Account
  - Pet Reimbursement Account
  - Gender Reassignment Account
  - Fertility Account
- Wellness Reward Account
- Medical Travel Account

### Education:

- Student Loan Reimbursement Account
- Tuition Reimbursement Account



**Plus, easily add COBRA Administration all within this same platform. Ask your Regional Director to learn more!**



## The BASIC Card

Our benefits card is one of the most advanced, convenient cards on the market, giving participants the fastest, easiest way to access their benefit funds. The BASIC Card can be used anywhere MasterCard is accepted and eliminates the need for participants to pay out-of-pocket and submit reimbursement requests.

- At no additional cost to employers, participants receive a BASIC Card linked to access all their benefit accounts. They can have one benefit account or five, and a mix of unrestricted accounts and tax-advantaged accounts.
- Clients can designate the account payment order within their plan design.
- Our proprietary software ensures funds are withdrawn from the appropriate account with each card swipe with no delay to the transaction's processing time.
- We carefully program each employer's account parameters to auto-approve 85% of transactions, all within the guidelines of the IRS regulations.
- Participants no longer need to use two payment methods at checkout. The BASIC Card is smart enough to pay for eligible items from pre-tax benefit accounts and ineligible expenses (e.g., milk, gum, or other ancillary expenses) in the same transaction from a participant's MyCash account.



## MyCash

BASIC's claims management is second to none in ease and speed. If a participant paid out-of-pocket for an eligible expense, they can submit a reimbursement request online or through the BASIC benefits app. The reimbursement funds are deposited directly into their MyCash account as soon as the reimbursement request is processed. No more waiting for a check or direct deposit.

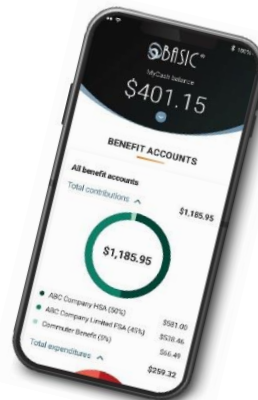
MyCash funds are reimbursed post-tax funds and not restricted.

- Participants can use MyCash funds with their BASIC Card anywhere Mastercard is accepted.
- Participants can also transfer funds from MyCash to personal savings or checking accounts with a one-time or recurring transfer based on their personal needs.
- Funds can also be withdrawn at an ATM once a PIN is established.

## The BASIC benefits app

Participants can manage all their BASIC benefit accounts on the go with the BASIC benefits app.

- Total contribution and expenditures for all accounts and aggregated by account type
- Request reimbursement for out-of-pocket payments
- Expense eligibility check
- Mobile account alerts
- Participants can lock and disable their card in seconds if lost or stolen, and unlock the card if it's found
- The receipt repository allows participants to store benefits related receipts in one convenient place





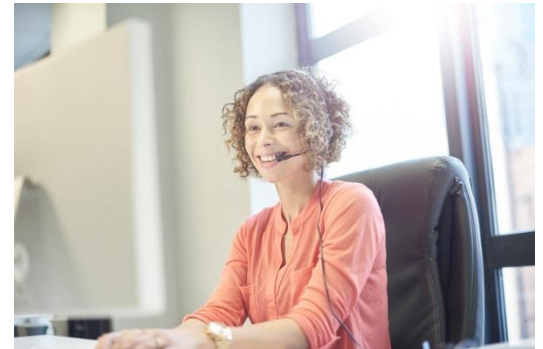
### Picture to Pay the Provider

In three quick steps, participants can have BASIC pay healthcare providers on their behalf with our “Picture to Pay” the provider feature. No paper, no postage, and no hassle for the participant.

1. Participants take a picture of the provider’s bill
2. Submits the photo into the BASIC benefits app
3. BASIC verifies the eligibility and benefit account and then mails payment to the provider

### Next Level Service

While BASIC harnesses the power of superior technology, we still believe in old-fashioned customer service like answering our phones. Even with our self-service features, participants often need to speak with a real person. Calling us is convenient on our toll-free direct customer service line, with below industry average hold times. (Available between 9:00 a.m. – 7:00 p.m. ET Monday thru Friday)



- **Client Portal Self Service** – BASIC’s CDA system offers clients the ability to easily perform routine functions on-demand. Examples include the ability to add, enroll and terminate employees in a benefit plan.
- **Client Portal Support Request** – If clients have a request regarding managing their benefit plan, we’ve added an internal ticketing system to replace unstructured emails. The Support Request function in the CDA system allows clients to submit requests, get a tracking number and received status updates from BASIC’s CDA team in a timely manner.

### Account Administration

- **Plan Design Assistance** - Whether we are helping you establish a new plan or taking over administration for an existing plan. Employers can select runout and/or carryover or rollover for unused funds remaining in the participant’s account at the end of the plan year.
- **Electronic Files (EDI)** – We accept feeds from a wide variety of systems helping simplify enrollment, ongoing eligibility management, and payroll deductions.

### Client Reports

- **Enrollment Report** – lists current participants enrolled by plan and election
- **Request Payment Detail Report**– lists claims paid for each employee (does not show service provider)
- **Funding Report**- provides benefit plan funding based on payment source and funding date
- **Point of Disbursement Report**- displays participant request for reimbursement claim activity for a given time period, specific to point of disbursement benefit plans
- **Participant Balance Summary** – list the balance summary reports for your participants. This enables clients to obtain on-demand information about participant contributions, requests, and balances.
- **Month End Statement Suite**: a suite of reports available to CDA clients providing financial confidence through transparency, accuracy, timeliness, and control.



# Flexible Spending Account (FSA) Administration

Implementing a Flexible Spending Account (FSA) can save you and your employees thousands of dollars in taxes every year. The primary benefit of an FSA is that it lowers taxable income by eliminating taxes on money that is already being spent by employees on healthcare, dental, and vision. By electing to contribute to an FSA, employees can save between 15%-40%. Employers offering this benefit save 7.65% (the combined Social Security and Medicare tax rate) on the value of contributions to the FSA.

A mature Medical FSA plan can yield more dollars in tax savings than it costs to administer – a true win-win for employers and employees alike. Participants can use their Medical FSA funds on eligible expenses such as insurance deductibles, co-payments and coinsurance, prescriptions, dental or vision expenses, and physical therapy.

Medical FSAs got even more flexible in 2020 thanks to the CARES Act, effective January 1, 2020, which allows for reimbursement of both over-the-counter (OTC) medications and menstrual products.

## Account Administration

- **Legal Plan Documents** – Complete plan documents are essential to protecting the favorable tax status of your plan. You will receive a customized Plan Document and Summary Plan Description (SPD) containing all required language under the HIPAA Privacy and Security Rule. You will receive amendments at no additional charge every four years or whenever a change is required by the Federal or State regulations or if your plan changes at your anniversary.
- **Administration Manual** – Complete information on accounting, claim procedures, IRS regulations and discrimination testing information.
- **IRS Form 5500** – Provided annually for required Health FSA plans.
- **Non-Discrimination Testing**
  - Key Concentration 25%
  - Dependent Care 55% Average Benefits Test
  - Dependent Care 5% Owners
  - Additional testing is available upon request for an additional fee
- **Plan Design Options** – 2 ½ month Grace Period or \$570 Carry-Over
- **Electronic Files (EDI)** – We accept feeds from a wide variety of systems helping simplify enrollment, ongoing eligibility management, and payroll deductions.
- **Enrollment Education** – BASIC's electronic employee enrollment booklet outlines FSA benefits and IRS regulations to help increase employee understanding and participation. Regional Directors are available for an employee FSA introduction webinar the first year of administration. Our FSA Account Managers are available for employee questions on eligibility prior to elections.
- **Guaranteed Compliance** – Our compliance experts ensure that your plan adheres to the ever-evolving regulations governing tax advantaged Consumer Driven Accounts.





### Preferred Funding Method

**PVR (Payroll Verification Report) Funding** - Each payroll, the client sends BASIC the contributions that were pulled from the participant's paycheck. We would collect the funding by ACH from the client's bank account. All transactions can be viewed on our website. Clients are able to make adjustments on the PVR (Payroll Verification Report) prior to the contribution date so the dollar amounts match what was pulled from the employee's paycheck. With this option, BASIC is fronting the funding on Medical FSA accounts (dependent care, commuter, and non-employer sponsored premium accounts are only reimbursed as funds are received).

### Optional Funding Methods

**POD (Point of Disbursement) Funding** - BASIC collects a prefund amount, determined at enrollment, that is held until the end of the plan. With POD, if an employee uses their card or submits a manual request, BASIC will pull the funds from the client's account after two business days. With this funding method the client is holding the contributions and funding based upon disbursements. The client is able to view a report online showing claims paid out on a specific day. Clients will be able to make any adjustments prior to the actual payroll dates so BASIC can track how much is contributed to date. This is especially important for anyone with dependent care, commuter, or non-employer sponsored accounts because those accounts can only be paid out as contributions are collected.

Additional funding methods include Contribution Schedule, Payroll Schedule, or custom.

### Additional Information

Eligibility – Individuals with 2% or more stock in an S-Corporation, Partnership, LLC or Sole Proprietorship are NOT eligible to participate. Also, an employed spouse and children of an S-Corporation are NOT eligible. PC, PLC, PLLC owners may participate if they file their corporate taxes as a C-Corporation. All owners are subject to non-discrimination testing.



# Dependent Care Flexible Spending Account (FSA) Administration

Implementing a Flexible Spending Account (FSA) can save you and your employees thousands of dollars in taxes every year. The primary benefit of an FSA is that it lowers taxable income by eliminating taxes on money that is already being spent by employee's dependent care. By electing to contribute to an FSA, employees can save between 15%-40%. Employers offering this benefit save 7.65% (the combined Social Security and Medicare tax rate) on the value of contributions to the FSA. Qualified expenses include care for a dependent child under the age of 13 and care for your spouse or adult dependent who is physically or mentally unable to care for themselves. Unlike a Medical FSA, DCFASAs are a pay-as-you-go account, meaning funds are not advanced by the employer. DCFASAs also differ from traditional FSAs since election amounts can change or stop during the year if expenses change.

## Account Administration

- **Guaranteed Compliance** – Our compliance experts ensure that your plan adheres to the ever-evolving regulations governing tax advantaged Consumer Driven Accounts.
- **Legal Plan Documents** – Complete plan documents are essential to protecting the favorable tax status of your plan. You will receive a customized Plan Document and Summary Plan Description (SPD) containing all required language under the HIPAA Privacy and Security Rule. You will receive amendments at no additional charge every four years or whenever a change is required by the Federal or State regulations or if your plan changes at your anniversary.
- **Administration Manual** – Complete information on accounting, claim procedures, IRS regulations and discrimination testing information.
- **IRS Form 5500** – Provided annually for required Health FSA plans.
- **Non-Discrimination Testing**
  - Key Concentration 25%
  - Dependent Care 55% Average Benefits Test
  - Dependent Care 5% Owners
  - Additional testing is available upon request
- **Plan Design Options** – 2 ½ month Grace Period
- **Electronic Files (EDI)** – We accept feeds from a wide variety of systems helping simplify enrollment, ongoing eligibility management, and payroll deductions.
- **Enrollment Education** – BASIC's electronic employee enrollment booklet outlines FSA benefits and IRS regulations to help increase employee understanding and participation. Regional Directors are available for an employee FSA introduction webinar the first year of administration. Our FSA Account Managers are available for employee questions on eligibility prior to elections.



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transactions can be viewed on our website. Clients are able to make adjustments on the PVR (Payroll Verification Report) prior to the contribution date so the dollar amounts match what was pulled from the employee's paycheck. With this option, BASIC is fronting the funding on Medical FSA accounts (dependent care, commuter, and non-employer sponsored premium accounts are only reimbursed as funds are received).

### **Optional Funding Methods**

POD (Point of Disbursement) Funding - BASIC collects a prefund amount, determined at enrollment, that is held until the end of the plan. With POD, if an employee uses their card or submits a manual request, BASIC will pull the funds from the client's account after two business days. With this funding method the client is holding the contributions and funding based upon disbursements. The client is able to view a report online showing claims paid out on a specific day. Clients will be able to make any adjustments prior to the actual payroll dates so BASIC can track how much is contributed to date. This is especially important for anyone with dependent care, commuter, or non-employer sponsored accounts because those accounts can only be paid out as contributions are collected.

Additional funding methods include Contribution Schedule, Payroll Schedule, or custom.

### **Additional Information**

Eligibility – Individuals with 2% or more stock in an S-Corporation, Partnership, LLC or Sole Proprietorship are NOT eligible to participate. Also, an employed spouse and children of an S-Corporation are NOT eligible. PC, PLC, PLLC owners may participate.



## Financial Analysis – Paradise Recreation and Park District

September 18, 2023

Number of Employees: 25

CDA Benefit Account Administration – 1 Account	
Account Level:	Level 1
Annual Subscription Fee:	\$500.00
Monthly Rate:	\$4.95 per participant employee per month (with a \$50.00 monthly minimum)
CDA Benefit Account Administration – 2 Accounts i.e., FSA and DCFS	
Account Level:	Level 2
Annual Subscription Fee:	\$500.00
Monthly Rate:	\$5.10 per participant employee per month (with a \$75.00 monthly minimum)
Optional Services and Additional Fees	
<ul style="list-style-type: none"> <li>This pricing includes administration of the BASIC CDA benefit accounts described on the service pages in this proposal. Additional accounts will require an updated bundled pricing rate. Please ask your BASIC Regional Director to update your proposal if needed</li> <li>Each participant will receive one BASIC card for themselves, with the option to order a BASIC card for a dependent online at no additional cost. The card is configured to work with all CDA benefit accounts.</li> <li>A \$10 fee will be charged to a participant’s account if they order a replacement card</li> <li>Employee meetings are available the first plan year via online webinar at no cost, based on scheduling availability</li> <li>Nondiscrimination Testing and Form 5500 preparation included for Health FSA Administration</li> </ul> <p>Additional fees may apply for service aspects outside our standard offerings or require manual processing, such as:</p> <ul style="list-style-type: none"> <li>\$1.50 per enrollment or a \$25 minimum if Client chooses to submit paper/non-electronic enrollments, or electronic not in BASIC’s format</li> <li>A \$200 setup fee applies for short plan administration takeover (mid-year, year-end run-out/grace)</li> <li>Enrollment materials are provided electronically however booklets may be purchased for \$0.95 per booklet + \$50 shipping</li> <li>Typically there are no fees for vendor file feeds (EDI); fees apply if set-up with the Client's vendor takes more than 20 hours of BASIC staff time for set-up coordination or if there are data quality issues with ongoing files that cannot be rectified with the vendor</li> </ul>	

*\*See detailed proposal page(s) for guidelines, exclusions, and requirements*

*\*\*This proposal and pricing are based on specifications given to BASIC. If the specifications are not accurate or change, pricing may be affected. This proposal is current for 60 days.*

*\*\*\* Billing cycles vary from monthly, quarterly, or annually depending on the level of service charges.*

This proposal contains confidential and privileged information and may not be used or shared with any other person or organization without authorization.



**Presented by:**



**Andrew Waldowski**  
**Regional Director**

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10/13/2023



Annual Fee	Quantity	Cost	Monthly	Annual
Set-up and Renewal - COBRA	NQ	\$ 1,500.00	\$ -	\$ -
Set-up and Renewal - FSA, HSA, HRA, Transportation and Lifestyle	1	\$ 250.00	\$ -	\$ 250.00
<b>Annual Fee Estimate</b>			\$ -	\$ 250.00

Services	Quantity	Cost	Monthly	Annual
COBRA Services (pepm)	NQ	\$ 0.75	\$ -	\$ -
Flex Spending Accounts (Medical and Dep.Care, pppm)*	15	\$ 4.50	\$ 67.50	\$ 810.00
Health Savings Accounts (pppm)*	15	\$ 3.00	\$ 45.00	\$ 540.00
Health Reimbursement Arrangements (pppm)*	NQ	\$ 4.50	\$ -	\$ -
Transportation and Parking Accounts (pppm)*	NQ	\$ 4.50	\$ -	\$ -
Lifestyle Accounts (pppm)	NQ	\$ 3.50	\$ -	\$ -
Plan Documentation Preparation (one-time fee)	NQ	\$ 1,250.00		\$ -
Nondiscrimination Testing (per run)			Included	
<b>Services Estimate</b>			\$ 112.50	\$ 1,350.00

**Minimum monthly fee is \$100. This will be total monthly fee until surpassed.**

Summary	Monthly Est.	Annual Est.
<b>Annual Fee Estimate</b>		\$ 250.00
<b>Services Estimate</b>	\$ 112.50	\$ 1,350.00
<b>Total Annual Services Estimate</b>	\$ 112.50	\$ 1,600.00

\*Standard pricing shown

pppm - Per Participant Per Month

pepm - Per Employee Per Month

NQ - Not Quoted

TBD - To Be Determined

## Service Summary

### COBRA SERVICES (pepm)

Apprize offers full-service COBRA/Continuation administration services to Clients including full HR support, integrated eligibility with bswift as the system of record, full carrier files, enrollment and payment collection, and reporting.

### FLEX SPENDING ACCOUNTS (pppm)

Apprize offers PreTax administration services to Clients including full HR support, integrated eligibility and enrollment with bswift via single sign-on, fully stacked debit cards, immediate reimbursement, and reporting.

### HEALTH SAVINGS ACCOUNTS (pppm)

Apprize offers HSA administration services to Clients including full HR support, integrated eligibility and enrollment with bswift via single-sign on, fully stacked debit cards, immediate reimbursement, and reporting. Multiple investment options are available, including self-service or broker assisted.

### HEALTH REIMBURSEMENT ARRANGEMENTS (pppm)

Apprize offers PreTax administration services to Clients including full HR support, integrated eligibility and enrollment with bswift via single sign-on, fully stacked debit cards, immediate reimbursement, and reporting.

## Service Summary

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### **TRANSPORTATION AND PARKING ACCOUNTS (pppm)**

Apprize offers administration services for Commuter Benefits, including both Parking and Transit expenses, to allow Employers to fill their Employees' needs while commuting to and from work. Apprize will provide a stacked debit card for these card-only plans (no manual claims allowed), annual enrollment and monthly changes to deductions via bswift, full online portal access and a mobile app for Employees to track accounts, along with phone and email customer service to all Employees. Apprize services include full HR support, fully integrated eligibility and enrollment with bswift via single sign-on, along with fully stacked debit cards, immediate reimbursement options and reporting.

### **LIFESTYLE ACCOUNTS (pppm)**

Apprize Benefit Services offers Lifestyle services to Clients including full HR support, fully stacked debit cards, immediate reimbursement, and reporting.

### **PLAN DOCUMENTATION PREPARATION (one-time fee)**

Apprize will provide Section 125 document creation that meets the specific needs of the Organization.

### **NONDISCRIMINATION TESTING (per run)**

Apprize will complete all Non-Discrimination Testing related to eligibility, availability of benefits and utilization based on Client provided data.

## SCHEDULE FOR FSA - LFSA – DCAP SERVICES

Includes implementation, communication, processing, and administrative services.

# OF PARTICIPANTS ENROLLED	FSA/LFSA/ DCAP MONTHLY FEE PER PARTICIPANT
2+	\$4.50
\$250.00 Set-Up/Annual Renewal	
\$100 Monthly Minimum <i>(Billed when service total is less than monthly minimum)</i>	

ACCOUNT HOLDER TRANSACTIONAL FEES	
Mobile App	Included
Text Message Notifications	Included
Debit Card Transaction	Included
Claim Reimbursement via ACH Direct Deposit, credit to bank debit card, PayPal or Venmo <sup>1</sup>	Included
Recurring Reimbursements (DCAP & Ortho)	Included
Electronic FSA Account Summary, provided monthly	Included
Debit Card Replacement	Included
Stop Check Service	\$25.00

Initial group set-up, new participant welcome letters, process requests for reimbursement, issue reimbursements participants, customer care via toll-free telephone, online tool kit, online open enrollment system, online claims filing, online receipt upload and postage for all but optional services. Standard reimbursement occurs daily but can be weekly, bi-weekly, semi-monthly or monthly.

### Included in per participant monthly fee:

- VISA® debit card (one card auto issued; no charge for additional or replacement cards)
- Set-Up and Renewal
- ACH Transfers from Client to Elevate to fund claim reimbursements

### Service Features:

- Run Out Administration
- Administration of either Grace Period or Carry Over Feature
- Recurring Reimbursement Feature
  - One-time annual claim submission for recurring reimbursements provided for dependent care and orthodontia expenses.
- Library of education and communication materials are included in the Elevate Online Tool Kit.
  - Additional customization/editing services available; consult your Apprize Account Executive.

### Debit Card Prefund Options Daily or Weekly:

- Daily Funding: Client agrees to fund 1% (the "Funding Amount"), by applying the initial 1% collateral rate to the annual aggregate election amount for any FSA, LPFSA or DCAP account to fund Debit Cards. Client will allow Apprize/Elevate to debit bank account via ACH for total claims paid daily, as needed.
- Weekly Funding: Client agrees to fund 4% (the "Funding Amount"), by applying the initial 4% collateral rate to the annual aggregate election amount for any FSA, LPFSA or DCAP account to fund Debit Cards. Client will allow

Apprize/Elevate to debit bank account via ACH for total claims paid daily, as needed.

- Minimum Prefund is \$500.00
- Prefunds are generated within 7 business days of the annual enrollment file processing and are due 15 days prior to the plan year start
- An annual prefund review will be completed to account for new plan year elections

**Optional: Automated Claim Substantiation and Reimbursement:**

- With the cooperation of your Medical, Dental and/or Vision Carrier, Apprize/Elevate will setup a claims feed from your Carrier to the Elevate system. The information on this file can be used to substantiate debit card transactions or reimburse Participants for approved claims. (File may be used for one or the other transaction type, not both.)
- \$0.50 per account holder and \$250 annual set up fee applies

- 1) Optional: Check Reimbursement – \$35.00 per Participant reimbursement check.

## SCHEDULE FOR HSA SERVICES

FDIC HSA, implementation, communications, banking, custodial, recordkeeping and distribution processing services.

EMPLOYER FEES	
Initial Set-Up/Annual Renewal	\$250.00
Monthly Account Fee Per Participant	\$3.00
Monthly Minimum (Billed when service total is less than monthly minimum)	\$100.00
HSA Account Set-Up Fee (online):	Included
HSA Account Set-Up Fee (File Import):	Included
VISA HSA Debit Card - (multiple purse card)	Included
HSA Account Set-Up Fee: Paper (per enrollment keyed)	\$5.00

ACCOUNT HOLDER TRANSACTIONAL FEES	
Mobile App	Included
Text Message Notifications	Included
Debit Card Transactions	Included
Electronic Funds Transfer	Included
Non-Sufficient Funds	Included
HSA Account Summary (online)	Included
Printed HSA Account Summary (available on-line at no charge)	\$2.50
HSA paper check distribution (Electronic Funds Transfer available at no charge)	\$35.00
Debit Card Replacement	Included
Stop Check Services	\$25.00
HSA Account Closure	\$25.00

## HSA INVESTMENT ACCOUNT

Maximum cash balance is based on the investment transfer threshold established by Aprize/Elevate or account holder. Amounts over this threshold will be automatically swept to the investment account as described in the Custodial Agreement and Disclosure Statement.

INVESTMENT ACCOUNT FEES	
Multiple Investment Options (\$1000 balance required to open investments)	\$2.50 per month, employee fee

# Employee Benefits Corporation

The  
**BESTflex**<sup>SM</sup>  
Plan

*Proposal*



*Prepared for*

*Submitted by*

# Employees want to save money.

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## Administration Includes



- ✓ Plan design and client data entry
- ✓ Client payment and billing setup; participant data entry or upload
- ✓ Multiple claim funding options
- ✓ Administration documents and forms
- ✓ Group Premium, Health Care, and Dependent Care flexible spending accounts (FSAs)
- ✓ Health savings account compliance with a limited health FSA
- ✓ Individually billed insurance premiums
- ✓ Online enrollment
- ✓ Secure employer and employee web portals
- ✓ Nondiscrimination testing at the end of the plan year, including all 9 required tests
- ✓ Employer contribution support
- ✓ Cash-in-lieu of insurance premiums support
- ✓ Annual Form 5500 filing (if required)
- ✓ Runout, grace period, and/or rollover support for mid-year takeovers
- ✓ Benefits Card administration (if elected)
- ✓ Claim submission via mobile app, online account, fax, and U.S. mail
- ✓ Fast claims turnaround, processing, and payment
- ✓ Employee account information management
- ✓ Plan year runout, grace period, and/or rollover administration
- ✓ Direct deposit of reimbursements
- ✓ Customer support via phone and email
- ✓ Ongoing compliance support

# Get a benefit that just works.

## Why Our Clients Like The BESTflex Plan



- ✓ **Save 7.65% in social security taxes on participant contributions**
- ✓ Plan design options
  - Grace period
  - Rollover (Health Care FSA)
  - Benefits Card (Health Care FSA)
  - HSA-compatible FSA plan designs
- ✓ Full-service administration options for Health Care (standard and limited) and Dependent Care FSAs
- ✓ Option to set up vendor file feeds
- ✓ Health Care Form 5500 services and nondiscrimination testing services at the end of the plan year, at no additional charge

## What Participants Get



- ✓ **Save approximately 30%\* on eligible expenses**
- ✓ Expenses for participant, their spouse, and dependents are eligible
- ✓ Use the Benefits Card at eligible merchants to pay directly with Health Care FSA funds
  - Submit purchase documentation online or via mobile app
- ✓ Pay with cash and submit an online claim for reimbursement
  - Processed within 2 business days of receiving claim
  - Funds sent electronically to bank account via direct deposit
- ✓ 24/7 online account access
  - Responsive website optimized for use on any device size
  - Mobile app for Android or Apple

## Online Accounts



- ✓ **24/7 Online Account Access for Employers and Participants**

### Employer Account Features

- Online plan renewal, including plan design modification and materials ordering
- Online participant enrollment and termination
- Detailed invoices and payment history reports
- View and print claims registers and fee invoices
- Plan features and details viewable by plan year
- View participant usage
- Account snapshots
- Secure document upload
- View and print a single, consolidated invoice for all Employee Benefits Corporation products
- Download administration forms and documents
- Account summary, registers, details, and participant list reports
- Reports available in XML, CSV, TIFF, PDF, Web Archive, Excel, or Word formats

### Participant Account Features

- Account snapshot view
- Smart, simple, and secure online claims submission
- View detailed claim and payment history, including exclusions
- Manage communication preferences to receive claim processing information via email or U.S. mail
- View plan design and usage details
- Add and update personal information
- Manage direct deposit information
- View direct deposit history and details
- Online plan enrollment during open enrollment period
- Download administration forms and documents
- Account summary reports
- Reports available in XML, CSV, TIFF, PDF, Web Archive, Excel, or Word formats

\*This tax example is a broad approximation of tax liability. Specific tax savings depend on the participant's specific tax bracket. Current IRS tax laws control all BESTflex Plan matters and are subject to change.



# The BESTflex Plan Experience



**The BESTflex Plan** is a cafeteria plan that allows employers to offer money-saving, tax-advantaged benefits to their employees.



## Employers



### *Onboarding*

- Service Agreement
- Transition plan and details



### *Transition and Enrollment Support*

- Compliant plan function and documentation
- Participant enrollment options



### *Smooth-Functioning Benefit Plan*

- Regular compliance updates and support



### *Plan Renewal & Open Enrollment*

- Online plan renewal processes
- Compliant plan documents
- FSA enrollment toolkit



## Participants



### *Open Enrollment*

- Educational information
- Enrollment decision support



### *Welcome to the BESTflex Plan*

- Online account at ebcflex.com
- Benefits Card (if applicable)
- Submit claims online, via our mobile app, or on paper



### *Plan Year End*

- End of plan year account statement with balance and plan details
- Education on runout, grace, and rollover, as applicable



### *Open Enrollment*

- Contribution worksheets
- Pro tips education
- Ongoing customer support

## Commuter Benefit Accounts

Nondiscrimination Testing

Service

Health Savings Accounts

Form 5500

Health Reimbursement Arrangements

Partnerships

Flexible Spending Accounts

Employee-owned

COBRA Administration

Wrap Plan Documents

Passion

# Employee Benefits Corporation

## Our Story

We provide a world-class customer experience and pride ourselves on our reputation as a service-oriented and technologically-advanced third party administrator. We help clients and their employees understand and use their benefits. We know benefits administration.

See how we're *different*:



### ***Passionate Employee Owners***

As employee owners, our passion drives us to **earn** your business and provide an **exceptional experience** that sets you up for success.



### ***Valued Partnerships***

We **value** and **cultivate** long-lasting relationships with our broker partners and mutual clients.



### ***Industry Expertise***

Our expertise is integrated in everything we do, giving you access to in-depth **industry details** and broad **real-life experience**.