



BENEFITS BUZZ



Preferred Group Plans Quarterly Newsletter

Spring Issue

2012

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Visit our website at www.ThePreferredGroup.com



“Don’t I have 90 days to submit claims for last plan year?” *or* “I heard March 15th is the last day to submit claims is that true?” We at The Preferred Group hear these questions quite often, especially when the month of March

rolls around.

In fact both of these questions are correct depending on the Expense Period of your plan.

The 90 Day Grace Period or “run-out”, as it is commonly referred to, is defined as: the 90 day period immediately following the close of the regular Plan year or the last day of employment, whichever is applicable. For example, your Plan Year runs from July 1, 2011 to June 30, 2012, you have until September 30, 2012 to submit claims with **service dates within your plan year** for reimbursement.

The 2.5 Month Extension otherwise known as, “The Use It or Lose It Extension” prolongs the regular Plan Year for an *Extended Expense Period*. The Extended Expense Period is defined as: the two and a half month extension period after the end of the regular Plan Year. For example your Plan Year begins January 1, 2012 and will run until March 15, 2013. This provision eliminates the “rush” to spend unused funds in a previous plan year.

Reminder: Internet Explorer is currently the only web browser that is 100% compatible with our website.



Don't judge each day by the harvest you reap but by the seeds you plant - Robert Louis Stevenson.

WHAT'S THE



QUESTIONS and more QUESTIONS !

Q. “What is the mileage rate for 2012?”

A. The IRS issues the standard mileage rates used to calculate the deductible costs of operating an automobile for medical purposes. Effective January 1, 2012, the mileage rate for medical purposes was set at 23 cents per mile.

Q. “Can I still get reimbursed if the date of service was in a previous plan year but my health insurance processed the claim during the current plan year?”

A. Reimbursements from Flex plans are based on date of service, not the billing or payment date. As long as you are still within the 90 day grace period to submit claims following your plan year, you can still get reimbursed by submitting a claim.

Q. “When does my Dependent Day Care check or direct deposit get sent?”


A. Reimbursements for Dependent Day Care are sent when funds are deposited into your Dependent Day Care Flex Account from your paycheck. Those funds are sent either by check or wire transfer to The Preferred Group for posting to your account. Once received by us, deposits will be posted to your account within two business days of receipt. Once the funds are posted, a payment is generated if there is an outstanding claim. If no outstanding claim exists, the funds go into your account to create an available balance awaiting a claim to be received.



The Preferred Group has partnered with the FSA Store to help our participants with their FSA eligible drug store purchases. Easily purchase both over the counter supplies and let them help you with your OTC drug prescriptions. Go to ThePreferredGroup.com and click on the FSA Store banner to shop from the convenience of your own home.

2012 New
Smart
Enrollment
Form

Announcing the New "Smart" Enrollment Form

 The Preferred Group PO Box 15136 Albany, NY 12212-5136 (866) 989-8995 Check out your Account Information Online www.ThePreferredGroup.com		FSA Enrollment/Change Form 101790000100																	
Change Type: <input type="checkbox"/> Address/Name Change <input type="checkbox"/> New Hire <input type="checkbox"/> Termination (Complete COBRA Form)		Date of Event: ____/____/____ <input type="checkbox"/> Change in Status <input type="checkbox"/> Unpaid Leave of Absence <input type="checkbox"/> Return from Leave of Absence																	
DIRECTIONS: Employee — Complete Sections 1, 2, 3 and 4 then return to your employer Employer — Complete 'Change Type' Box and complete Section 5																			
Section 1 Employee Information — Please Read and Fill Out Carefully																			
Employer Group #	Employer Group Name	Plan Year	Social Security Number																
10179	Preferred Group Plans Inc	1/1/2012 to 12/31/2012	XXX-XX-1234																
Employee Name (First Name)		Employee Name (Last Name)																	
James		Smith																	
Employee Address (Street, Apt. #)		Date of Birth (mm/dd/yyyy)	Date of Hire (mm/dd/yyyy)																
PO Box 15136		1/1/1960	1/1/2000																
Employee Address (City, State, Zip Code)		Current Debit Card Holder Yes, Cancel? Y/N	Direct Deposit Account Yes																
Albany, NY 12212		Yes	Yes																
Home Phone	Work Phone	Email Address (Please allow email from benefitsinfo@thepreferredgroup.com)																	
(518) 641-0321	(866) 989-8995	BenefitsInfo@ThePreferredGroup.com																	
Section 2 Flexible Spending Plan Benefit Elections																			
I accept the opportunity to have deductions withheld from my paycheck for eligible employer sponsored _____ Medical and other health insurance related premiums on a pretax (before tax) basis for my entire share of my employer's group health insurance premiums, unless I indicate below not to do so. I understand that this election will be automatically renewed each year unless revoked by me in writing prior to the beginning of a new Plan Year. I waive (do not want) the opportunity to have my _____ Medical insurance premium(s) withheld on a pretax (before tax) basis.																			
<table border="1"> <thead> <tr> <th>Account Type</th> <th>Fund#</th> <th>Prior Election</th> <th>New Election</th> </tr> </thead> <tbody> <tr> <td>UNREIMBURSED MEDICAL (\$2,500 max)</td> <td>1</td> <td>\$1,000.00</td> <td></td> </tr> <tr> <td>DEPENDENT DAY CARE (\$5,000 max/\$2,500 if married, filing separately)</td> <td>2</td> <td>\$1,500.00</td> <td></td> </tr> <tr> <td>PREMIUM EXPENSE (For privately held health premiums only, no Life Ins.)</td> <td>3</td> <td>\$300.00</td> <td></td> </tr> </tbody> </table>				Account Type	Fund#	Prior Election	New Election	UNREIMBURSED MEDICAL (\$2,500 max)	1	\$1,000.00		DEPENDENT DAY CARE (\$5,000 max/\$2,500 if married, filing separately)	2	\$1,500.00		PREMIUM EXPENSE (For privately held health premiums only, no Life Ins.)	3	\$300.00	
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Section 3 Dependent Information (2 Dependents on file)																			
Social Sec. Num	Dependent Name	Address (Write 'same' for Employee Address)	Date of Birth	Spouse, Child, Other	Gender														
Section 4 Signature and Acceptance of Rules of Flexible Spending Plan Rules																			
Salary Redirection Agreement (Please read and sign below): I have read and understand the explanation I have received regarding my options under this Flexible Benefits Program. I hereby apply for the options listed above and I authorize my employer to redirect my salary during the plan year as indicated. I understand that I cannot change any of my elections during the plan year (unless I have a change in status), and that any money left in my account(s) at the end of the plan year will be forfeited.																			
Employee Signature				Date															
Section 5 Employer's Section — Payroll Information for Salary Reduction Changes					# Payrolls 52														
Fund	First Payroll Date	Last Payroll Date	YTD Deductions	Per Payroll Deduct	Use 'First Payroll Date' and employer signature ONLY if the employee is making a mid-year election. Use the 'Last Payroll Date' and 'YTD Deductions' if changing an old election or termination.														
FSA																			
DCA																			
PRE																			
Employer Signature				Date															



The Preferred Group is proud to announce a significant redesign of our enrollment form. Our new "smart" enrollment form is now able to include many group customizable messages as well as prefill all pertinent employee demographic information. By allowing custom wording we are able to give your employees all the group specific information in the way that your plan operates. The form will accommodate your plan even if your group has one set of benefits for a group of employees and needs other employees to have a different set. The form will be great for your employees. We can now give your employees information on the programs that they are currently enrolled in by listing their enrollment amounts from the current plan year right beside their new enrollment.

For more information about your New Smart Enrollment Form, please contact your account representative.

Updating Employee Benefits? Changing your FSA or adding an HRA or Transportation Plan? Put The Preferred Group and our 25 years of Benefits Experience to work for you.

Call (800) 573-7474 for your Benefits Representative to schedule an appointment.