



ADMINISTRATIVE OFFICES

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Good News!

We are please to let you know that you will soon be receiving a Benefit Reimbursement Card that will contain the value of your Health Reimbursement Account (HRA).

The Trust Fund Office has prepared the attached comprehensive document containing the commonly asked questions related to the Benefit Reimbursement Card to help provide clarity and guidance on using your new Benefit Reimbursement Card effectively. **You should read the commonly asked questions and keep it for future reference.**

The attached commonly asked questions cover a range of topics, including:

- How to activate your Benefit Reimbursement Card
- Where you can use your Benefit Reimbursement Card
- Eligible expenses that can be paid using your Benefit Reimbursement Card
- How the substantiation process works
- How to submit claims and receipts

Should you have any further questions regarding your Benefit Reimbursement Card, please do not hesitate to reach out to the Trust Fund Office.

*This document has been uploaded and is available on the participant website at
www.AZpipe.org*



Commonly Asked Questions Regarding Your New Health Benefit Reimbursement Debit Card

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Question	Answer
GENERAL INFORMATION	
<p>1. What is the Benefit Reimbursement Card?</p>	<p>The Benefit Reimbursement Card is a debit card that contains the value of your Health Reimbursement Account (HRA). The card can be used at the point of sale to pay for eligible medical expenses with the payment taken directly from your HRA account.</p> 
<p>2. What is an eligible medical expense?</p>	<p>You can use your HRA account to reimburse amounts you pay for medical, dental, vision or prescription drug expenses, which are not covered and paid by the Health Fund and which are considered a qualified medical expense as defined by the Internal Revenue Code. Your HRA may be used for all qualified medical expenses. Unfortunately, we cannot provide an exhaustive list of all possible qualified medical expenses. A partial list is provided in IRS Pub 502 (available at www.irs.gov). Examples of qualified medical expenses listed in IRS Pub 502 include, but are not limited to:</p> <ul style="list-style-type: none"> - Medical Supplies (bandages, crutches, hearing aids, wheelchairs, etc.) - Medically Necessary Vision and Dental Expenses (eye glasses, contact lenses, teeth cleaning, fluoride treatment, etc.) - Installation Expenses or Purchase of Medically Necessary Equipment (installation of wheelchair ramps, oxygen tanks, etc.) - Medically Necessary Transportation Expenses - Hospital Services & Some Insurance Premiums for Medical Expenses - Certain Maternity Care Necessities (pumps, pregnancy tests, and lactation supplies) - Some Medicare premiums - COVID-19-related Personal Protective Equipment - Prescribed Medicines & Insulin - Stop-Smoking Programs - Prescribed Weight-Loss Programs <p>Additionally, since 2019, qualified medical expenses include over-the-counter medicine (whether or not prescribed) and menstrual care products.</p>



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	The above list is presented only to provide insight into some common qualified medical expenses. Certain exceptions may apply. Consult IRS Publication 502 for further detail and the complete list.
<p>3. What is NOT an eligible medical expense?</p>	<p>You cannot use your HRA account to reimburse amounts paid for expenses that are not qualified medical expenses as defined by the Internal Revenue Code. A partial list of expenses that ARE NOT qualified medical expenses is provided in IRS Pub 502 (available at www.irs.gov). Examples of NOT qualified medical expenses listed in IRS Pub 502 include, but are not limited to:</p> <ul style="list-style-type: none"> - Controlled Substances - Cosmetic Surgeries or Procedures (i.e., surgeries or procedures deemed “not medically necessary”) - Funeral Expenses - Maternity Clothes - Nutritional Supplements (unless recommended by doctor for treatment of a specific, diagnosed condition) - Teeth Whitening - Veterinary Fees - Weight-Loss Programs (if its purpose is improvement of appearance or general health) <p>The above list is presented only to provide insight into the most common expenses that ARE NOT qualified medical expenses. Certain exceptions may apply. Consult IRS Publication 502 for further detail and the complete list.</p>
<p>4. How many debit cards will I receive?</p>	Two debit cards will be issued in your name and sent to your home address at no cost to you. If you require additional cards, you can order them by contacting the Benefit Office at 602-956-1950. There is a fee of \$10 for additional or replacement cards if your card is lost or stolen. This fee will be deducted directly from your account.
<p>5. Can my spouse or eligible dependent use my card(s)?</p>	Yes. For a spouse or eligible dependent to use the card, they need only to sign the back of it.
<p>6. When will I receive a debit card?</p>	You will receive your debit cards when you are eligible for coverage under the Arizona Pipe Trades Health and Welfare Trust Fund and have a \$50.00 minimum HRA balance.



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ACTIVATING YOUR CARD

7. How do I activate my cards?

To activate both of your cards, you must call 866-898-9795 as instructed on the front of the card or visit my.wexhealthcard.com. You only need to activate one card in order for both cards to work. Wait at least one (1) business day after activation for the cards to work. Anyone using the card should sign the card with their own name.

8. How much is on the Benefit Card?

The dollar value on the Benefit Card is the total amount in your HRA account. This amount will be sent to you with your status slip and will also be available on the participant website.

You may find the balance of your card online by:

1. Logging on the Arizona Pipe Trades Participant Website at: www.azpipe.org
2. Creating an account on the WEX Health Participant Portal at: my.wexhealthcard.com
3. Calling the Benefit Office at 602-956-1950

USING YOUR CARD

9. How does the Card work?

The card works just like any other pre-paid credit card. When you purchase any eligible health care items or services at a business that accepts MasterCard®, you simply use your Benefit Card to purchase those items or services. The amount will then be deducted automatically from your HRA account. The Benefit Card eliminates most out-of-pocket cash outlays and paperwork, as well as the need to wait for reimbursement checks.

10. How do I use my card at a medical, dental, or vision provider's offices, hospitals, or clinics?

The Benefit Card can be used at most medical, dental, and vision providers that accept MasterCard. This includes doctor's offices, hospitals, clinics, and many other providers. The card may also be used on billing statements received from providers of the same types of service. Simply fill in the credit card area on the bill providing your WEX Health debit card number. **If insurance coverage is available, make sure that the insurance company has processed the claim prior to the time you make your payment.** This will ensure that all insurance discounts and payments have been made so you are only paying your portion of the expense.



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<p>11. How do I use my card in participating stores and supermarkets that auto-substantiate?</p>	<p>Certain retail stores, like CVS or Rite Aid, may also be able to accept your debit card if they have installed an Inventory Information Approval System, referred to as IIAS. IIAS systems have the ability to separate eligible from ineligible expenses at the point of sale, which means the expense is auto-substantiated as a “qualified medical expense” at the point of service. If insurance coverage is available, make sure that the insurance company has processed the claim prior to the time you make your payment. If the expense is auto-substantiated at the point of service, you will not have to provide additional documentation after the purchase.</p> <p>Pharmacies may be IIAS Merchants or 90% Rule Merchants. IIAS Merchants auto-substantiate as explained above. You can locate a list of IIAS Merchants via a link at www.azpipe.org.</p> <p>In contrast, if the pharmacy is registered as a 90% Rule Merchant, that means that 90% of the goods sold at the merchant are qualified medical expenses. At 90% Rule Merchants, purchases will generally be approved at the point of sale, but the separation of eligible from ineligible expenses does not occur. So you can generally expect to receive a request for additional documentation to substantiate the purchase. A list of 90% Rule Merchants can be found at www.azpipe.org.</p>
<p>12. How will the card work in participating stores and supermarkets that auto-substantiate?</p>	<ol style="list-style-type: none"> 1. Bring all of the items you intend to purchase to the register at checkout. 2. Separate and scan items you believe are qualified medical expenses from items that are not. 3. Present the Benefit Card and swipe it for payment. 4. Certain items you scanned may be rejected by the store’s auto-substantiation process. Remove those items and include them with the non-eligible purchases you intend to make. 5. If the transaction is approved, the amount of eligible purchases is deducted from your HRA account. Then use another form of payment for the purchases that cannot be reimbursed through your HRA. 6. The receipt will identify the HRA-eligible items and may also show a subtotal of the HRA-eligible purchases. 7. In most cases, the Benefit Office will not request receipts for HRA-eligible purchases made in participating pharmacies or supermarkets. Still keep those receipts with your own records for tax purposes.
<p>13. If asked, should participants select “Debit” or “Credit” at checkout?</p>	<p>You should select “Credit.” You do not need a PIN and cannot get cash with the Card.</p>
<p>14. Can I use my card if I receive a statement with a patient due balance for a medical service?</p>	<p>Yes, if all the following are true: (1) You and your covered dependents were eligible for insurance on the date you or your dependent received the services; (2) the dates of service were after January 1, 2024; (3) you have a sufficient balance in your HRA to cover the cost; and (4) the provider accepts MasterCard®. You can write the card number on your statement and send it back to the merchant and/or provider. Before providing your Benefit Card number, be sure that the merchant or provider has submitted the charges to your medical carrier, and the carrier</p>



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	has processed and paid its portion of the claim. The amount remaining on the claim will be charged to the Benefit Card.
15. Can I use my card with a Collection Agency?	The card will not work if you are trying to use it with a Collection Agency unless they are an IAS certified provider; even if the card does work with the Collection Agency, you will be requested to submit an itemized billing to prove the charges are an eligible expense. Before providing your Benefit Card number, be sure that the merchant or provider has submitted the charges to your medical carrier, and the carrier has processed and paid its portion of the claim. The amount remaining on the claim will be charged to the Benefit Card.
16. What happens if I swipe the card for an amount greater than what is available in my account?	Your card works just like your personal debit card. If there is not enough money in the account, it will decline at the point of sale for insufficient funds.
17. What are some reasons that the Benefit Card might not work at point of sale?	<p>The most common reasons why a card may be declined at the point of sale are:</p> <ol style="list-style-type: none"> 1. The Benefit Card has not been activated. (Details on how to activate your card are found on page 1.) 2. Your card was suspended because you failed to submit documents requested by the Benefits Office to substantiate a prior purchase or pay back the amount of the ineligible purchase. (See Substantiation section below.) 3. You are not eligible for coverage from the Arizona Pipe Trades Health and Welfare Trust Fund. (You can check whether you are eligible for coverage by logging onto the online portal or calling the Benefit Office.) 4. The Benefit Card is being used less than 24 hours after activation. 5. You have insufficient funds in your HRA account to cover the expense. 6. Ineligible expenses were included at the point-of-sale. (Retry the transaction only with the eligible expense). 7. The merchant is encountering problems (e.g. coding or swipe box issues). 8. The merchant cannot identify HRA-eligible items at checkout.
18. What should I do if the store or provider doesn't accept Mastercard?	In the event that a provider or retailer does not accept MasterCard, you will need to arrange for a different payment method and submit the expense as a manual paper claim. Your claim must be submitted with a completed claim form and an itemized bill from your provider or retailer using the same process for HRA reimbursements that you could use before receiving your Benefit Card. To obtain a claim form, please visit www.azpipe.org or call the Benefit Office at 602-956-1950.
19. What should I do if my card is lost or stolen?	To report your card lost or stolen, please contact the Benefit Office at 602-956-1950.
20. When does the debit card expire?	Just like a debit or credit card, there will be an expiration date printed directly on the card. This date is typically 5 years from the date you receive it. A new card will automatically be issued to you 15 days before your card is set



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	to expire.
<u>SUBSTANTIATION</u>	
21. Will I have to submit documentation?	IRS regulations have always required that expenses paid out of an HRA be substantiated to verify that they are eligible. This regulation has not changed with the addition of debit card technology. While BeneSys takes advantage of every method of auto-substantiation allowed by the IRS there are certain expenses that are difficult to auto-substantiate given the technology available. Therefore, when using your card, you should always retain an itemized receipt in case further substantiation is required. Failure to substantiate expenses may result in tax consequences (discussed below). <i>Be assured, BeneSys is utilizing every method possible to reduce the number of requests for substantiation you receive.</i>
22. What is considered valid documentation?	The regulations require that you submit an itemized bill or statement showing the date of service/purchase, the services rendered/item purchased, and the cost. A bill or statement without these details is not considered valid documentation.
23. How will I know that my card transaction requires additional documentation for substantiation?	<p>The IRS requires that the Fund substantiate all of the reimbursements from your HRA. Otherwise, the reimbursements from your HRA will be treated as income to you and you could end up receiving a 1099. Substantiation letters are sent in order to avoid this potential problem. Some reimbursements can be substantiated without needing anything from you. For example, a reimbursement that is equal to 1 to 5 times a copayment amount is considered by the IRS to be automatically substantiated. Other expenses that you use the Benefit Card for, however, may require more information from you.</p> <p>If you have a claim that requires additional substantiation, the Benefits Office will send you a letter requesting documentation sufficient to substantiate your claim.</p>
24. Where do I send valid documentation to substantiate my card transactions?	<p>You may submit your substantiation documentation a few different ways:</p> <ol style="list-style-type: none"> 1. Mail – BeneSys Flex Claims P.O. Box 99416 Troy, MI 48099 2. Fax – 248-556-2597 3. Email – flexclaims@benesys.com 4. Participant Website – www.azpipe.org Note – you must be logged into the website using your username and password in order to submit documentation. 5. Visit the Benefit Office – 3109 N. 24th Street, Suite 105, Phoenix, AZ 85016



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<p>25. What happens if I do not submit substantiation when it is requested?</p>	<p>Per the IRS guidelines, if substantiation is not submitted, the debit card transaction is considered an improper payment from the account. If you do not timely respond to the Benefits Office, the debit card will be suspended from further use until the substantiation has been received (indicating the expense is an eligible one) or the amount of an ineligible expense has been paid back into your HRA account or recouped from a subsequently submitted claim that is substantiated (which amount in your HRA account then can be used for future eligible expenses). After the matter has been resolved, the debit card use will be reactivated. If the matter is not resolved before your HRA account is terminated or forfeited under the plan rules, you will receive a 1099 tax form equal to the amount that requires substantiation for the tax year in which your HRA account was terminated or forfeited.</p>
<p>26. How long should I keep my supporting documents?</p>	<p>Since the reimbursements you receive under the plan(s) are tax-free, you should keep all of your supporting documents with your tax return filed for that applicable tax year. You should keep all tax records until the period of limitations for that tax year ends. For more information on how long you should keep your records, please visit the IRS website at www.irs.gov.</p>
<p>27. What if I lose my receipts?</p>	<p>Usually, the merchant or provider can recreate an account history and provide a replacement receipt.</p> <p>In the event that a receipt cannot be located, recreated, or if the expense is ineligible, you will be required to send a check or money order to the Benefits Office for the amount so it can be credited back to your HRA account.</p>
<p>28. What If I fail to submit documentation to substantiate my reimbursement claim?</p>	<p>If you do not respond to the substantiation letter, or respond but fail to submit receipts to verify the charge on your Benefit Card, then your card will be temporarily suspended. If not resolved, you will receive a 1099 tax form equal to the amount that requires substantiation.</p> <p>The Benefit Office will advise you if your card has been suspended or if a receipt is not received. Submitting a receipt that substantiates the charge or repaying the amount in question will activate the card again.</p>
<p style="text-align: center;"><u>OTHER IMPORTANT INFORMATION</u></p>	
<p>29. How long do I have to submit a claim for reimbursement?</p>	<p>You have two years from the date the expense was incurred to submit reimbursement requests.</p>
<p>30. Is there a minimum amount for reimbursement requests?</p>	<p>There is no minimum amount for using the debit card or submitting a paper reimbursement request.</p>



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31. What happens if my debit card balance goes below \$50.00?	Your card will be closed if the balance reaches below \$50.00. However, if additional HRA contributions are received in your account exceeding \$50.00, then the card will be reopened for use.
32. Can my HRA account balance be forfeited?	<p>Yes. For Retirees - An HRA account with less than \$1,000 that remains inactive (no money coming in or going out) for twenty-four (24) consecutive months will be closed. For Active Employees – If the individual ceases to be an Active employee and the HRA account remains inactive (no money coming in or going out) for twenty-four (24) consecutive months, then the account will be closed.</p> <p>If you retire, you can use your HRA as long as you continue coverage with the Arizona Pipe Trades Health and Welfare Trust.</p> <p>Upon the death of a Participant, any balance in his/her HRA will transfer to his/her Surviving Spouse, provided such individual otherwise qualifies for Surviving Spouse coverage. Upon the death of the Surviving Spouse, his/her HRA will terminate.</p>
33. Can the HRA be terminated?	Yes. Like any other benefits provided by the Health Fund, the Fund may terminate the HRA at any time for any reason. Participants have no vested interest in the HRA. At all times, amounts in the HRA are the property of the Arizona Pipe Trades Health and Welfare Trust.