

FLEXIBLE BENEFITS PLAN

Research Corporation of the University of Hawaii (RCUH)

Employer ID NBS526587

PLAN HIGHLIGHTS

Login at: my.nbsbenefits.com



Congratulations! Research Corporation of the University of Hawaii (RCUH) has established a "Flexible Benefits Plan" to help you pay for your out-of-pocket medical expenses. One of the most important features of the Plan is that the benefits being offered are paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return.

DETERMINING CONTRIBUTIONS

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year.

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections if you have a "change in status". Please refer to your Summary Plan Description for a change in status listing.

GENERAL PLAN INFORMATION

Plan Year End:.....June 30th
Run-out Period:.....90 Days

Maximum Medical Limit.....2020 IRS limit \$2,750
...See Code Section 125(i)(2) or current enrollment information

Maximum Dependent Care Limit:.....\$5,000

WHEN AM I ELIGIBLE TO PARTICIPATE

If you work 20 hours or more each week for the company, you will be eligible to join the Plan following your date of employment.

You will enter the Plan on the first day of the month following the day in which you meet the above eligibility requirements.

WHAT TYPE OF BENEFITS ARE AVAILABLE

Under our Plan, you can choose the following benefits. Each benefit allows you to save taxes at the same time because the amount you elect is set aside on a pre-tax basis.

Health Flexible Spending Account:

The Health Flexible Spending Account (FSA) enables you to pay for expenses allowed under Section 105 and 213(d) of the Internal Revenue Code which are not covered by our insured medical plan. The most that you can contribute to your Health FSA each Plan Year is set by the IRS. This amount can be adjusted for increases in cost-of-living in accordance with Code Section 125(i)(2).

Dependent Care Flexible Spending Account:

The Dependent Care Flexible Spending Account (DCAP) enables you to pay for out-of-pocket, work-related dependent day-care cost. Please see the Summary Plan Description for the definition of eligible dependent. The law places limits on the amount of money that can be paid to you in a calendar year. Generally, your reimbursement may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income. Also, in order to have the reimbursements made to you and be excluded from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider, as well as the amount of such expense and proof that the expense has been incurred.

Premium Expense Plan:

A Premium Expense portion of the Plan allows you to use pre-tax dollars to pay for specific premiums under various insurance programs that we offer you.

Please note: Policies other than company sponsored policies (i.e. spouse's or dependents' individual policies etc.) may not be paid through the Flexible Benefits Plan. Furthermore, qualified long-term care insurance plans may not be paid through the Flexible Benefits Plan.

NBS Welfare Benefit Service Center (specific account questions):

8523 S. Redwood Road
West Jordan, UT 84088
801-532-4000 or 1-800- 274-0503
Fax: 1-800-478-1528



Research Corporation of the University of Hawaii (RCUH)

RCUH HR Contact (eligibility, enrollment questions):

RCUH Employee Benefits
1601 East-West Road
John A. Burns Hall, 4th Floor Makai Wing
Honolulu, Hawaii 96848
(808) 956-2326

Flexible Benefits Plan Highlights Continued

HOW DO I RECEIVE REIMBURSEMENTS

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. You can get a claim form at www.NBSbenefits.com.

Claim forms must be submitted no later than 90 days after the end of the Plan Year for the Health Flexible Spending Account and the Dependent Care Flexible Spending Account. Any contributions remaining at the end of the Plan Year will be forfeited.

NBS Flexcard – FSA Pre-paid MasterCard

Your employer may sponsor the use of the NBS Flexcard, making access to your flex dollars easier than ever. You may use the card to pay merchants or service providers that accept credit cards, so there is no need to pay cash up front then wait for reimbursement.

WHO ARE HIGHLY COMPENSATED & KEY EMPLOYEES

Under the Internal Revenue Code, "highly compensated employees" and "key employees" generally are Participants who are officers, shareholders or highly paid.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Please refer to your Summary Plan Description for more information. You will be notified of these limitations if you are affected.

Updated: 04/17/2020

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(808) 956-2326

What Can I Save with an FSA?

| | FSA | No FSA |
|---------------------------------------|--------------|------------|
| Annual taxable income | \$24,000 | \$24,000 |
| Health FSA | \$1,500 | \$0 |
| Dependent care FSA | \$1,500 | \$0 |
| Total pre-tax contributions | -\$3,000 | \$0 |
| Taxable income after FSA | \$21,000 | \$24,000 |
| Income taxes | -\$6,300 | -\$7,200 |
| After-tax income | \$14,700 | \$16,800 |
| After-tax health and welfare expenses | \$0 | -\$3,000 |
| Take-home pay | \$14,700 | \$13,800 |
| You saved | \$900 | \$0 |

Help Make Medical Costs Painless.

Find out more at
fsa.nbsbenefits.com

What is a Flexible Spending Account (FSA)?



8523 South Redwood Road
 West Jordan, Utah 84088
 800-274-0503
fsa@nbsbenefits.com





Flexible Spending Account (FSA)

Two types of FSAs

For a health FSA, start by choosing an annual election amount. This amount will be available on day one of your plan year for eligible medical expenses.

Then, payroll deductions will be made throughout the plan year to fund your account.

A dependent care FSA works differently than a health FSA. Money is only available as it is contributed and can only be used for dependent care expenses.

Both are pre-tax benefits your employer offers through a cafeteria plan. Choose one or both —whichever is right for you.

What's a cafeteria plan?

A cafeteria plan enables you to save money on group insurance, healthcare expenses, and dependent care expenses. Your contributions are deducted from your paycheck by your employer before taxes are withheld. These deductions lower your taxable income which can save you up to 35% on income taxes!

Partial List of Eligible Expenses:

- ✓ Medical/Dental/Vision Copays and deductibles
- ✓ Prescription Drugs
- ✓ Physical Therapy
- ✓ Chiropractor
- ✓ First-Aid Supplies
- ✓ Lab Fees
- ✓ Psychiatrist/Psychologist
- ✓ Vaccinations
- ✓ Dental Work/Orthodontia
- ✓ Eye Exams
- ✓ Laser Eye Surgery
- ✓ Eyeglasses, Contact Lenses, Lens Solution
- ✓ Prescribed OTC Medications



Enrollment Considerations

After the enrollment period ends, you may increase, decrease, or stop your contribution only when you experience a qualifying "change of status" (e.g. marriage, divorce, employment change, dependent change).

Be conservative in the total amount you elect to avoid forfeiting money at the end of the plan year.

How to Spend



Spending is easy

Our convenient NBS Benefits Card allows you to avoid out-of-pocket expenses, cumbersome claim forms and reimbursement delays. Or you may also utilize the "pay a provider" option on our web portal.

Account access is easy

Get account information from our easy-to-use online portal and mobile app. See your account balance, contributions and account history in real time.

What if I don't use it all?

Because an FSA is a planning tool with great tax benefits, you must use the account balance in its entirety before the end of the plan year or it will be forfeited. This is known as the "use-it-or-lose-it" rule.

Your employer may offer a grace period or a \$500 rollover to help if you miss the mark a little bit. *Just make sure to plan carefully when you enroll.*

Multiple Resources to Help You

Manage Your Account

Does managing your new HSA, FSA, or HRA sound complicated? Don't worry, our dedicated service center is available to help with any of your individual needs including accessing your account or requesting new debit cards.

We look forward to serving you!

Hours of Operation: 6:00 a.m. - 6:00 p.m. MST Mon - Fri

Phone: (855) 399-3035

Fax: (844) 438-1496

Email: service@nbsbenefits.com

Our IVR is accessible 24/7 for account balance information.



For Self-Service

Visit my.nbsbenefits.com

- View account balances
- Access transaction history
- Submit Claims
- Send receipts for debit card transactions
- Pay Providers
- Report and re-issue lost or stolen Benefits Cards

Or download the NBS Mobile App



Making it Easy

NBS Mobile App

When you're on the go, save time and hassle with the NBS Mobile App.

Submit claims, check your balances, view transactions, and submit documentation using your device's camera.

Easy and secure

- Shares user authentication with the NBS portal. Registered users can download the app and log in immediately to gain access to their benefit accounts, with no need to register their phone or your account.
- No sensitive account information is ever stored on your mobile device and all transmissions use encryption.

Includes virtual assistant 'Emma'

- The first voice-activated intelligent assistant for consumer-driven healthcare.
- Ask Emma questions about your account such as:
 - How much is my account balance?
 - What is the annual contribution limit?
 - Can I change my election amount?

Mobile app features

The NBS mobile app supports a wide variety of features, empowering you to proactively manage your account.

- View account balances
- View claims
- View reimbursement history
- Submit claims
- Submit documentation using your device's camera
- Pay providers
- Setup a variety of SMS alerts
- Edit your personal information
- View contribution details
- View plan information
- View calendar deadlines
- Contact a service representative
- View Benefits Card information
- Eligible Expense Barcode Scanner



Download on the
App Store

GET IT ON

Google Play

Sample Expenses

Medical Expenses

- Acupuncture
- Addiction programs
- Adoption (medical expenses for baby birth)
- Alternative healer fees
- Ambulance
- Body scans
- Breast pumps
- Care for mentally handicapped
- Chiropractor
- Copayments
- Crutches
- Diabetes (insulin, glucose monitor)
- Eye patches
- Fertility treatment
- First aid (i.e. bandages, gauze)
- Hearing aids & batteries
- Hypnosis (for treatment of illness)
- Incontinence products (i.e. Depends, Serene)
- Joint support bandages and hosiery
- Lab fees
- Monitoring device (blood pressure, cholesterol)
- Physical exams
- Pregnancy tests
- Prescription drugs
- Psychiatrist/psychologist (for mental illness)
- Physical therapy
- Speech therapy
- Vaccinations
- Vaporizers or humidifiers
- Weight loss program fees (if prescribed by physician)
- Wheelchair

Dental Expenses

- Artificial teeth
- Copayments
- Deductible
- Dental work
- Dentures
- Orthodontia expenses
- Preventative care at dentist office
- Bridges, crown, etc.

Vision Expenses

- Braille - books & magazines
- Contact lenses
- Contact lens solutions
- Eye exams
- Eyeglasses
- Laser surgery
- Office fees
- Guide dog and upkeep/other animal aid

Items that generally do not qualify for reimbursement

- Personal hygiene (deodorant, soap, body powder, sanitary products)
- Addiction products
- Allergy relief (oral meds, nasal spray)
- Antacids and heart burn relief
- Anti-itch and hydrocortisone creams
- Athlete's foot treatment
- Arthritis pain relieving creams
- Cold medicines (i.e. syrups, drops, tablets)
- Cosmetic surgery
- Cosmetics (i.e. makeup, lipstick, cotton swabs, cotton balls, baby oil)
- Counseling (i.e. marriage/family)
- Dental care - routine (i.e. toothpaste, toothbrushes, dental floss, anti-bacterial mouthwashes, fluoride rinses, teeth whitening/bleaching)
- Exercise equipment
- Fever & pain reducers (i.e. Aspirin, Tylenol)
- Haircare (i.e. hair color, shampoo, conditioner, brushes, hair loss products)
- Health club or fitness program fees
- Homeopathic supplement or herbs
- Household or domestic help
- Laser hair removal
- Laxatives
- Massage therapy
- Motion sickness medication
- Nutritional and dietary supplements (i.e. bars, milkshakes, power drinks, Pedialyte)
- Skin care (i.e. sun block, moisturizing lotion, lip balm)
- Sleep aids (i.e. oral meds, snoring strips)
- Smoking cessation relief (i.e. patches, gum)
- Stomach & digestive relief (i.e. Pepto-Bismol, Imodium)
- Tooth and mouth pain relief (Orajel, Anbesol)
- Vitamins
- Wart removal medicine
- Weight reduction aids (i.e. Slimfast, appetite suppressant)

(These expenses may be eligible if they are prescribed by a physician (if medically necessary for a specific condition).)