

Welcome

This Summary Plan Description (SPD) will help you understand how the Ogle County Flex Plan works and how it saves money. Your full involvement plays a vital role in this process, so it is important that you read it completely.

What Is The Ogle County Flex Plan?

Ogle County has created the Ogle County Flex Plan to allow you to take advantage of Section 125 of the Internal Revenue Code. This tax break lets you set aside money from your paycheck to pay for certain insurance, medical and daycare expenses before taxes are taken from your pay.

Then, the remainder of your pay is taxed. Since the remainder is less than the original amount, you pay less tax, and keep the difference.

Let's say you make \$2000 a month. Taxes take at least 30% right off the top, leaving you \$1400 in take home pay. If your medical expenses are \$100 a month, that leaves you \$1300.

With the Ogle County Flex Plan, you set aside \$100 for medical expenses, leaving you \$1900 as your taxable, monthly income. After taxes, that leaves you with \$1330 in take home pay, a net gain of \$30 or \$360 a year. That's how the Flex Plan works.

What is the catch?

There are two:

1. You can't cancel your plan or change the dollar amount you set aside in your plan during the plan year unless certain events occur
2. You must use all the money you set aside during the plan year; IRS tax law prevents it from being returned

Note: The salary and tax example above is a broad approximation of tax liability. You can consult a tax advisor for help with your own situation. Current IRS tax laws control all Ogle County Flex Plan matters.

Additional Information about the Ogle County Flex Plan

The Ogle County Flex Plan will be administered through our TPA (Third party Administrator). This will provide quick turnaround time on claims and issuing checks.

If you should have any questions about your Ogle County Flex Plan account, you can contact your claims service person at the TPA. They can provide you with current information and reports on your account.

Also your account balance information is printed on every reimbursement check.

How Do I Enroll In The Flex Plan?

During the **Enrollment Period**, a specific period of time prior to the start date of the plan year, you complete and submit your **Enrollment Form**, indicating the amounts you'd like withheld from your pay for the upcoming year.

The **Enrollment Deadline** is established by your employer.

You must complete a new Enrollment form each year

1. Fill out the **Enrollment Form** provided by your employer completely; enrollment lasts for one plan year, which represents one calendar year or less
2. Decide how much money you expect to spend over the length of the plan year for expenses covered by that account, then divide the amount by the number of paychecks in your **Plan Year**
5. **Total** the amounts, **Sign and Date** the form to indicate the amounts you'd like withheld from your paycheck and return the Enrollment form to your employer

If you are newly hired and would like to enroll in the Ogle County Flex Plan mid year, please refer to our **TPA** for eligibility information.

What Happens After I Enroll?

The amounts you specified on your **Enrollment Form** are transferred to your Health Care FSA (Flexible Spending Account) or your Dependent Care FSA's by your employer. Check your pay stub to ensure your employer withholds the correct amount.

After the enrollment period ends, your employer gives you a **Welcome packet** containing a **Reimbursement Form**. When you incur a medical or daycare expense during the plan year, you send a Reimbursement Form to the TPA.

How Am I Reimbursed For Expenses?

1. Complete a Reimbursement Form
2. Sign and Date the Reimbursement Form
3. Copy the Reimbursement Form and supporting invoices, receipts, Explanation of Benefits (EOB) and mail or fax to the TPA; your documentation must include a description of the product or service to be reimbursed

An Expense is incurred at the point of purchase, not when the expense is billed or paid. You may submit for expenses incurred within the plan year and you have up to 90 days after the end of the plan year to request reimbursement. Expenses incurred **before** your plan effective date are not eligible.

Note: The IRS does not recognize personal checks or credit card statements as valid proof of an expense.

The OC Flex Plan Details

The Flex Plan is made up of three parts, with each part covering different expenses.

1. Group Insurance premiums

Group Insurance Premiums covers money your employer already withholds each pay period to pay premiums on medical or other group insurance. With the Flex Plan, this withholding becomes an automatic, pre-tax deduction unless you notify your employer otherwise.

2. Health Care Flexible Spending Account (FSA)

You use your Health Care FSA for out-of-pocket, unreimbursed medical, vision, and dental expenses. You decide how much pre-tax money to put into this account on your Enrollment form. Use the Health Care FSA Worksheet to help you estimate your eligible expenses for the plan year.

Your election amounts are divided by the number of paychecks in your Plan Year. Your employer withholds that amount from your paycheck and sends it to the TPA for deposit into your account.

You can spend money from your Health Care FSA anytime during the plan year, whether the money has been withheld from your paycheck or not. So a large expense incurred early in the plan year can be reimbursed soon after you incur it, and the balance is then withheld from your paychecks throughout the plan year.

Health Care FSA Worksheet

Please refer to the worksheet below as a guide to help calculate your out-of-pocket expenses for the plan year. This can include expenses for you, your spouse and your eligible dependents.

The Plan Year is : January 1st
To: December 31st:

You do not have to be on the insurance plan(s) at your employer to take advantage of this.

Remember: The worksheet is a guide. You determine an annual dollar amount and it can be used anywhere within Health Care FSA.

Office visit copays, prescription copays, and deductibles are all eligible expenses!

Expenses NOT covered by Health Care FSA:

All over the counter medications, which include:

Homeopathic remedies
Non-prescription vitamins
Supplements from an acupuncturist, chiropractor, holistic healer, etc.

Any cosmetic procedure or item purchased for cosmetic reasons, such as:

Dental bleaching or bonding
Electrolysis (hair removal)
Face Lift
Hair transplant
Liposuction
Prescription drugs for hair loss
Retin-A (for acne)
Rogaine or Minoxidil for hair growth

Other ineligible items, such as :

Birth classes (e.g. Lamaze)
Breast pumps
Diaper Service
Weight loss program food
Health club dues
Illegal operations or treatments
Marital or family counseling
Maternity clothes
Meals that are not part of inpatient care
Insurance premiums

Miscellaneous items or procedures for maintaining general health, such as:

Hot tubs or whirlpools*
Massage therapy*
Weight loss classes*

*Some medically necessary items may be covered by the Health Care FSA if prescribed by a physician for a specific medical condition.

The prescription should contain the specific medical condition and a time frame for treatment.

You may wish to consult IRS publication 502 for examples of eligible expenses

- \$ ___ Acupuncture
 - \$ ___ Alcoholism treatment (inpatient)
 - \$ ___ Ambulance fees
 - \$ ___ Artificial limbs or teeth
 - \$ ___ Birth control (prescription)
 - \$ ___ Birth prevention surgery
 - \$ ___ Blind person's education
 - \$ ___ Braille books & magazines (additional cost)
 - \$ ___ Chiropractors
 - \$ ___ Christian Science practitioners
 - \$ ___ Co-insurance
 - \$ ___ Condoms
 - \$ ___ Contact lenses & supplies
 - \$ ___ Copayments
 - \$ ___ Crutches
 - \$ ___ Deductibles
 - \$ ___ Dental expenses (non-cosmetic)
 - \$ ___ Dentures
 - \$ ___ Diagnostic fees
 - \$ ___ Drug addiction treatment (inpatient)
 - \$ ___ Eyeglasses
 - \$ ___ Eye examinations
 - \$ ___ Eye surgery
 - \$ ___ Guide dog care
 - \$ ___ Handicapped person's care
 - \$ ___ Hearing aids & batteries
 - \$ ___ Hospital services
 - \$ ___ Insulin/diabetic supplies
 - \$ ___ Laboratory fees
 - \$ ___ Laser eye surgery
 - \$ ___ Learning disabilities care
 - \$ ___ Medical miles, tolls, and parking
 - \$ ___ Medical services
 - \$ ___ Nursing services
 - \$ ___ Obstetrical expenses
 - \$ ___ Operations (non-cosmetic)
 - \$ ___ Orthodontia
 - \$ ___ Orthopedic shoes & braces
 - \$ ___ Osteopathic care
 - \$ ___ Ovulation kits
 - \$ ___ Oxygen equipment
 - \$ ___ Physical examinations
 - \$ ___ Pregnancy test (over the counter)
 - \$ ___ Prescription Medications
 - \$ ___ Psychiatric care
 - \$ ___ Psychological care
 - \$ ___ Stop smoking prescriptions and programs
 - \$ ___ Therapy treatments
 - \$ ___ Wheelchairs
 - \$ ___ X-Rays
- \$ ___ Estimated Plan Year Total**

Estimate the total amount you want withheld during the plan year. Although the IRS prohibits returning unused dollars to you, careful planning can alleviate this.

See **Additional Information, Question #6** Internal Revenue Code, Section 213, defines expenses for "medical care" as amounts paid for "the diagnosis cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body. The OC Flex Plan reimburses you for all eligible expenses as defined within the law.

3. The Dependent Care Flexible Spending Account (FSA)

You use your Dependent Care FSA for daycare expenses incurred for the care of your child(ren) or other dependents. You (and your spouse if you are married) must be a full-time student to use this account. As with the Health Care FSA, you decide how much pre-tax money to put into this account. The OC Flex Plan reimburses you from this account for your daycare expenses.

The Dependent Care FSA, differs from the Health Care FSA, in that you are reimbursed for expenses incurred only up to the balance in your account at the of the request for reimbursement. Your current balance is the maximum reimbursement you can receive.

If you pay daycare expenses in advance and send in your Reimbursement Form, you are not paid until after the daycare has been provided.

You should carefully estimate the total amount of pre-tax money you want withheld for the plan year. If any money is left over, IRS rules prohibit returning it to you.

See **Two Important IRS Rules** at right.

Note: You cannot apply the Federal Tax Credit for dependent care expenses to the amount you spend in this account.

In general, there is a larger tax savings with the OC Flex Plan than with the Federal Tax Credit.

The OC Flex Plan vs the Federal Income Tax Credit for Daycare

Generally, if you make a mid-level or higher combined household income, the OC Flex Plan provides a greater tax savings than the Federal Tax Credit.

Why the OC Flex Plan is better than the federal tax credit

1. The OC Flex Plan saves tax dollars on every paycheck, while the tax credit makes you wait after the year ends.
2. You can turn your OC Flex Plan check over to the daycare provider and avoid an out-of-pocket payment.

Using IRS Form 2441

You are required to report both your federal tax credit and the OC Flex Plan pre-tax expenses, whichever applies, on IRS form 2441, which is an attachment to your federal income tax return. Also on Form 2441, you are required to list the name, address and tax identification number of your daycare provider. Contact the TPA if you have questions.

Note: Expenses for services from daycare centers which have more than six individuals may be reimbursed only if the center complies with all state and local rules.

Expenses that ARE eligible for in the Dependent Care FSA:

1. Charges for daycare services outside your home for eligible dependents who are under the age of 13 and depend on you (and your spouse, if you are married) for at least half their support are eligible
2. Charges for the care of your spouse or a dependent adult or child outside your home who is mentally or physically incapable of caring for himself or herself are eligible; the spouse or dependent must spend at least 8 hours of each day in your house.
3. You may be reimbursed for expenses in your home to care for the individual(s) described above if the services are, at least in part, for the care of your dependent so you (and your spouse, if you are married) may work; the expenses include wages paid to the service provider, but not expenses such as food or clothing

Expenses that ARE NOT eligible for reimbursement in the Dependent Care FSA:

1. Schooling (Preschool is generally not schooling)
2. Overnight camps
3. Health care expenses
4. Services provided by a person whom you or your spouse could claim as a deduction on your tax return, or by any of your children who are under age 19
5. Transportation, meals, supplies, and materials

The Dependent Care FSA spending limits

\$5000 maximum for married and head of household filers or \$2,500 if married filing separately.

In general, if you file your income taxes as a "single, head of household" or "married, filing jointly," you may be reimbursed for up to \$5,000 a calendar year for dependent care expenses. If you are married and file a separate return, you may claim up to \$2,500. However, you may not be reimbursed for more than the following amounts:

1. If you are single, your reimbursable limit is your net taxable pay (after all salary reductions for the OC Flex Plan and any other plans) for the year in which the expenses are incurred.

Dependent Care FSA mini-worksheet

Your Plan Year is :
January 1st

To:
December 31st

Estimated Plan Year Total:
\$ _____

2. If you are married and your spouse works, your reimbursable limit is the lesser of your net taxable pay or your spouse's taxable pay for the year in which the expenses are incurred
3. If you are married and your spouse is either a full-time student or is physically or mentally incapable of caring for himself or herself, your reimbursement limit is:

- a. \$250 in any one month if you have only one dependent
- b. \$500 in any one month if you have more than one dependent

Two Important IRS Rules There are two very important IRS rules that you must follow to use the OC Flex Plan:

1. You cannot cancel your participation in the OC Flex Plan or change the amount of your payroll withholding during the plan year unless certain events occur

See **Events for which you may change your enrollment elections** on pg5.

2. You must use all of the money in each of your FSAs by the end of the plan year. Any amount left over cannot be returned to you or carried over to the next plan year. This is an IRS rule, not the TPA's or your employer's rule

Using the FSAs effectively means carefully estimating your expenses. This ensures you use up the money in your accounts by your plan year's end.

Additional Information Frequently asked questions

1. How do I file for reimbursement?

After the open enrollment period ends, your employer gives participants a "Welcome Packet". This packet contains reimbursement forms.

2. Do I have to use all three accounts of the OC Flex Plan?

No. You can use any or all of the OC Flex Plan, depending upon which ones apply to your situation.

3. Can I decide not to use the OC Flex Plan at all?

Yes. If you decide not to use the plan, sign and date the part of the Enrollment Form marked "No, I do not want to participate:" and return it to your employer.

Note: If you choose not to participate, you cannot enroll in the plan until the following plan year, unless you have a qualifying event.

See Events for which you may change your enrollment elections on this page.

4. Can I cancel or change the amounts I decide to put in my Flex Accounts or my premium contribution?

You cannot cancel or change these amounts during the plan year unless your situation changes.

See Events for which you may change your enrollment elections on this page.

5. Can I transfer funds between different OC Flex Plan accounts?

No. For example, unused funds deposited into your Health Care FSA cannot be transferred to your Dependent Care FSA to pay daycare expenses.

6. What happens if I don't use all of the money in my Flex Accounts by the end of the plan year?

The IRS requires that any money you do not use be returned to your employer. It cannot be returned to you or carried over to the next plan year. Your employer often uses the money to pay for the cost of administering the OC Flex Plan. If near the end of the plan year you have not spent everything in your Flex Accounts, you should look for additional eligible expenses for the unspent portion. For example, any money left in your Health

Care FSA could be used for a pair of prescription eye glasses or contact lens solution.

Note: While all expenses must be incurred during the plan year, you have 90 days after the end of the plan year to request reimbursement for those expenses.

7. Can I spend the money in my Flex Accounts anytime during the plan year?

The rules for each Flex Account are different. The IRS allows you to spend the entire annual amount you put into the Health Care FSA anytime during the plan year. You could, for example, get reimbursed for an expense equaling your entire annual contribution in the first month of the plan year, even though most of the money has not been withheld yet. The Dependent Care FSA is different. You may use the money in this Flex Account only after it has been withheld from your paycheck and the expense has been incurred.

8. What if I terminate employment or lose eligibility during the plan year?

For the Health Care FSA: If you terminate or lose eligibility, you can only submit for expenses incurred prior to your termination date. You have the standard 90-day grace period to submit claims after your termination date.

To receive reimbursement for expenses incurred after your termination date, you must elect COBRA continuation, which may require after-tax contributions to the plan.

For mid-plan year rehires or other questions, please contact your Human Resource Department or Employee Benefits Corporation.

For the Dependent Care FSA: If you terminate or lose eligibility, the contributions to your plan stop. You can continue to submit eligible expenses for daycare through the end of the year; however, you cannot contribute additional dollars after your termination date.

**How the OC Flex Plan Affect Taxes And Insurance
How the Plan affects Social Security benefits**

The OC Flex Plan generally reduces the amount of your wages used by the Social Security administration to calculate you're your social security benefit. Consequently, your social security retirement or disability income may be less than it would have been had you not participated in the OC Flex Plan. For this reason, you may want to increase your retirement savings to offset the potential loss of social security benefits. If you are concerned, discuss it with your local Social Security administration office or your tax advisor.

How the OC Flex Plan affects your tax return

When you receive your W-2 form at the end of the year, the gross amount of your income shown on the form is your gross income minus the amount withheld by your employer under the OC Flex Plan. This is the amount you use for gross income when you fill out your tax return. Your income tax is lower because it is based on a smaller gross income.

How the OC Flex Plan affects insurance payments or benefits

Any payments or benefits which you are entitled to receive from an insurance company, HMO or other provider of benefits are governed by the provider and not by this plan.

Events For Which You May Change Your Enrollment Elections

The IRS may allow you to change the amounts you set aside in your Flex Accounts during the year, but only in the case of certain events. If one of the following events applies to you, inform the TPA or your employer as soon as possible.

Changes must be made within 30 days of the event, and can only be made prospectively

In determining whether or not a change is permissible, a two-step approach is used.

First, a qualifying event must occur. Second, there must be a gain or loss of eligibility under the plan due to the event.

1. Qualifying Event results in you, your spouse, or your dependent gaining or losing coverage under the OC Flex Plan or a plan of your spouse's employer, and your election change corresponds with that gain or loss of coverage. This category of events applies to all types of coverage under the plan. The following events are changes in status:

a. Marital status - events that change your legal marital status, including marriage, death of a spouse, divorce, legal separation or annulment

b. Number of dependents - events that change the number of your dependents for tax purposes, including birth, death, or adoption

c. Employment status - events that include a termination or commencement of employment, a change in the number of hours worked, a strike or lockout, switch between part-time and full-time or vice versa, work site change, or the beginning or end of an unpaid leave of absence by you, your spouse, or your dependents

i. Employees who terminate and are rehired within 30 days, are not considered to have experienced a qualifying event; therefore any employee rehired 30 days is reinstated at their prior annual elections
ii. Employees who terminate and are rehired after 30 days are not allowed to participate in the Reimbursement Accounts until the next plan year

iii. Employees who begin or end an unpaid leave may only make changes if the leave causes a gain or loss of eligibility for the plan

d. Dependent eligibility - events that cause your dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance as provided in the plan covering you

e. **Residence** - events that cause a change in your, your spouse's, or your dependent's place of residence resulting in the gain or loss of eligibility under the plan, does not apply to the Health Care FSA

2. **HIPAA Special Enrollment Event** results in your change corresponding with the special enrollment rights provided under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) to individuals who lose other health insurance coverage or become the spouse or dependent of an employee through birth, marriage, or adoptions.

3. **Court Order Event** results in your election change corresponding to court order regarding health coverage of your child. This event only applies to health, dental, and vision insurance or the Health Care FSA. You must be able to show that other coverage exists before you can drop coverage.

4. **Entitlement to Medicare or Medicaid Event** results in enrollment by you, your spouse, or your dependent allowing a decrease or cancellation of health coverage under the plan. Losing entitlement of Medicare or Medicaid may allow you, your spouse, or your dependent to increase or enroll in health coverage under the plan. Applies only to health plans that are subject to HIPAA.

5. **Change in Cost Event** results when a provider under Group Insurance Premiums, or the Dependent Care FSA of the OC Flex Plan increases or decrease the cost of coverage. Your premium payments for insurance may automatically increase or decrease by the corresponding amount as a result. If you are enrolled in the Dependent Care FSA of the OC Flex Plan, you must submit a Qualifying Event Election Change form. If the provider is a relative, no changes are allowed for rate changes during the plan year. This event does not apply to the Health Care FSA.

6. **Addition of Elimination of a Benefit Option** results if the employer offers or ceases to offer a benefit package option; participants may elect to add or revoke their election with respect to that benefit only. If there is curtailment of coverage, a participant may elect alternative coverage but may not revoke their election. This event does not apply to the Health Care FSA

7. **Change in Coverage Under Any Employer's Plan** results when the employee, spouse, or dependent's employer increases coverage, decreases, coverage, or when coverage cease. Participant may make or revoke an election change under the plan. Changes may also be made corresponding to new or waived elections during open enrollment to the other employer's plan. This event does not apply to the Health Care FSA.

8. **COBRA Events:** Participants may increase their pre-tax contributions under the employer's plan for coverage if a COBRA event occurs with respect to the employee, spouse, or dependent under a plan of the employer that is covered by COBRA or similar state continuation rules. The individual covered by COBRA must still qualify as a tax dependent of the employee to allow for pre-tax treatment of contributions.

9. **Loss of Other Coverage Under A Governmental or Educational Institution Plan:** Participants may make new elections under a health plan when you, your spouse, or your dependent lose coverage under a governmental or institutional plan. This event does not apply to the Health Care FSA.

Contributions During Unpaid Family Or Medical Leave

If you are on unpaid leave under the federal Family and Medical Leave Act of 1993 but you elect to continue participation in Group Insurance premiums or the Health Care FSA of the OC Flex Plan, your employer may obtain your plan contributions for the leave period by having you either:

1. Prepay them, with your permission, from your last paychecks before the leave (on a pre-tax basis)

2. Pay as you go from your other financial resources (on an after-tax basis)

3. Pay them when you return from leave (on a pre-tax basis)

Your employer automatically deducts missed payments when you return from leave.

Please contact your Human Resource Department if you have questions.

OC Flex Plan Technical Information Operation of the OC Flex Plan

The OC Flex Plan Administrator is your employer. Your employer has full and complete authority, responsibility, discretion, and control over the management, administration, and operation of the OC Flex Plan, including, but not limited to:

1. Formulating, adopting, issuing, and applying procedures, rules, and changes

2. Altering or amending such procedures and rules in accordance with the law

3. Construing and applying the provisions of the plan

4. Making appropriate determination concerning eligibility for benefits

Subject to your rights, explained in the statement of ERISA Rights on this page of the booklet, your employer's determinations shall be final, conclusive, and binding on all parties.

Notice of Denial and Appeals

All claims and required documentation must be submitted no later than 90 days following the end of the plan year or your termination from employment. Initial claims will be decided no later than 30 days from receipt of the claim.

If, for reasons beyond the control of our TPA, the claim cannot be decided within this 30-day period, the TPA has an additional 15 days to review the claim as long as you are notified within the original 30-day window of the delay.

If your claim is denied, you receive a written notice citing the specific reasons for the denial and the plan provisions on which it's based. You are also provided with a description of any additional documents or material you might need to complete an incomplete claim.

If your claim has been denied for any reason, you have 180 days to submit a written appeal to the TPA detailing why you feel your claim should have been paid. You may also provide any additional documentation you feel is relevant. Your appeal is decided by an individual who did not make the initial determination of your claim, nor by a subordinate of that individual.

Our TPA provides you with notice of any information and documents that may be relevant to the appeal of your claim. Your appeal is decided no later than 60 days from receipt of the appeal.

If your appeal is denied, you will receive a written notification of the "adverse benefit determination on review" with the reason(s) for the denial and the plan provisions on which it's based.

If the appeal denial is based on any internal rule, guideline, etc. is provided to you free of charge upon your request. You may obtain from our TPA any relevant information regarding your claim. You also have the right to sue in federal court under ERISA (Employee Retirement Income Security Act of 1974).

If you have any questions about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Information, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquires, Employee Benefits Security Information, U.S. Department of Labor, 200 Constitution Avenue N.W. Washington, D.C. 20210.

Assignment of Benefits

You cannot assign your plan benefits to anyone else. The plan will not reimburse anyone other than you or your estate for covered expenses.

Continuation of Coverage Pursuant to COBRA

If your employer normally has at least 20 employees and is not a governmental entity or a church-controlled entity, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) may apply to the Health Care FSA of the OC Flex Plan. If COBRA applies and you, your spouse, or your dependents lose coverage due to a qualifying event, then you, your spouse, or your dependent may elect to continue coverage. A "qualifying event" is:

1. Termination of your employment or reduction of hours
2. Your death
3. Divorce or legal separation from your spouse
4. Your becoming eligible to receive Medicare benefits
5. When a dependent of yours ceases to be a dependent

Note: For a qualifying event other than a change in your employment status or death, you are responsible for informing your employer of the event within 60 days of its occurrence. Your employer, in turn, is responsible for providing you with a notice describing the right to elect continuation coverage. The notice will explain the terms and conditions, including the amount you must pay for the continuation coverage.

COBRA must be offered to qualified beneficiaries who have underspent their Health Care FSA. For those who elect to continue, coverage generally continues until the end of the plan year.

There are certain conditions when COBRA does not have to be offered. COBRA does not need to be offered on the Health Care FSA if all three of the following conditions are met:

1. The Health Care FSA is exempt from the Health Insurance Portability and Accountability Act (HIPAA)
2. The maximum annual COBRA premium the employer could charge for the Health Care FSA coverage equals or exceeds the maximum annual Health Care FSA coverage amount
3. The qualified beneficiary has "overspent" their Health Care FSA as of the date of the qualifying event

Statement of ERISA Rights

As a Participant in the OC Flex Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Participants are entitled to:

1. Examine, without charge, all documents of the OC Flex Plan and copies of all documents filed by the OC Flex Plan with the U.S. Department of Labor, such as annual reports and Plan descriptions
2. Obtain copies of all documents of the OC Flex Plan and other information regarding the OC Flex Plan upon written request; there is a reasonable charge for copies
3. Receive a summary of the OC Flex Plan's annual financial report

In addition to creating certain rights for participants, ERISA imposes duties upon the people who are responsible for the operation of the OC Flex Plan. The people who operate your OC Flex Plan, called fiduciaries of the OC Flex Plan, have a duty to do so prudently and in the interest of you and other OC Flex Plan participant and beneficiaries. No one may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA. If your claim for a benefit under the OC Flex Plan is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have your employer review and reconsider your claim.

Under ERISA there are steps you can take to enforce the above rights.

1. If you request materials from the OC Flex Plan and do not receive them within 30 day, you may file suit in federal court. In such case, the court may require your employer to provide the materials, unless the materials were not sent because of reasons beyond the employer's control.
2. If you have a claim of benefits that is denied or ignored in whole or in part, you may file suit in a state or federal court.
3. If you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. The court will decide who should pay costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose (for example, if your claim is found frivolous) court may order you to pay these costs and fees.

If you have any questions about the OC Flex, you should contact your employer or the TPA. If you have any questions about this Summary Plan Description or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Information, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquires, Employee Benefits Security Information, U.S. Department of Labor, 200 Constitution Avenue N.W. Washington, D.C. 20210.

Summary of Privacy Practices

Please refer to the complete Privacy Notice provided by your employer for a complete description of privacy practices.

What Is Protected Health Information?

Whenever a health provider treats you, protected health information (PHI) is created. Health information may be written (e.g. medical billings), spoken (physicians discussing x-rays), or electronic (bills saved on computer discs).

How do we use PHI?

The most common use of PHI by the TPA is for the payment of claims. Information received with your reimbursement request includes a third party provider statement. The information on the statement is used to verify the date the service was provided, the type of service provided, the name of the provider, and the charges for the service. This information is used only for claims payment purposes. Protecting your PHI is very important to the TPA. As a participant in our benefit plans, you are trusting us with your private information. Be assured that this information will be kept confidential.

Questions or Concerns

Please contact:

John Coffman
Ogle County Treasurer
(815) 732-1100

Greg Query
Query Insurance Agency
(815) 561-0115

Third Party Administrator
Group Administrators, LTD
450 East Remington Road
Schaumburg, IL 60173
(800) 232-1683

Termination Of The OC Flex Plan

Your employer reserves the right to modify or terminate the OC Flex Plan any time. You will be advised of any such change.

The Complete Plan Document

This is a summary of the OC Flex Plan. The complete Plan Document is available from your employer. (If there is any inconsistency between this summary and the complete Plan Document, the Plan Document is the most accurate resource.)

For more information

Contact the TPA if you have any questions about your OC Flex Plan.