

Flexible Benefits Program for Railroad Employees Health Flexible Spending Account (FSA)

Notice of Termination and Your Rights to Continue Participation

Your employer has reported to us that an FSA deduction was not taken from your last paycheck.

As a result of the missing deduction, your participation in FSA has terminated.

The Program and a federal law called COBRA give you certain rights to continue your FSA coverage. The following questions and answers will help you understand those rights.

Why did my FSA terminate?

You can participate in the FSA program only as long as your FSA contributions continue either through payroll deductions or your direct payments into the program. If your payroll deductions stop for any reason, such as you stopped working or your hours were reduced so that you did not earn enough to make the full FSA deduction from your paycheck, your FSA coverage is terminated.

Can I continue participation in the FSA program?

If your contributions through payroll deductions stop you can continue FSA coverage by making payments directly into the FSA program.

How do I make these payments?

When you miss a payroll deduction, UnitedHealthcare, as administrator of the FSA program, will send you a bill for the amount of your FSA contribution. Enclosed with this notice is your most current bill. It shows when your participation in FSA ended, how much you must pay, and the date by which your payment must be received in order to continue FSA coverage.

How long will I be billed for FSA contributions?

If you make each required payment to continue your participation in FSA, you will receive a bill for each time you would have received a paycheck and had an FSA payroll deduction taken if you remained at work.

What happens when I return to work?

If you make the payments to continue your participation in FSA, when you return to work, your railroad will resume your FSA payroll deductions and you will no longer receive bills.

What happens if I do not make payments?

If you don't make a payment by the date shown, your FSA coverage will be terminated as of the date shown on the bill. When you return to work, no further FSA deductions will be made from your paycheck. You will not be reimbursed from your FSA account for any expenses incurred after the termination date.

How long can I continue FSA coverage?

As long as you make the payments for which you are billed, you can continue FSA coverage until the end of the calendar year.

Why is the amount on the bill higher than the amount of my paycheck deduction for FSA?

The program adds a 2% charge to cover some of the expenses of sending the bills and collecting the FSA payments. The additional charge is allowed under the existing federal regulations.

If I don't make a payment, what happens to the money already in my FSA account?

You can submit bills for reimbursement for any covered expenses incurred up to the termination date. If you do not continue FSA coverage, you will not be reimbursed for any expenses incurred after the termination date. You will lose any money left in your FSA account that is not reimbursed to you.

Can I convert to a monthly payment schedule?

Yes, if you wish to convert to a monthly payment schedule, contact UnitedHealthcare at 1-800-842-9905. We will calculate a monthly payment amount and arrange for monthly billing.

What do I do if I do not continue FSA but payroll deductions are taken after I return to work?

Your employer will be advised that your FSA has been terminated. If they continue to take deductions you are entitled to a refund. You will need to contact your payroll department to arrange for that. The fact that deductions are made does not reinstate your FSA coverage. If you do not arrange for a refund you will lose this money.

I am also enrolled in the Dependent Care Assistance Program (DCAP). Was that terminated also?

No, coverage for DCAP follows different rules. Your coverage under DCAP has not been terminated. You can be reimbursed for any covered expenses incurred anytime during the program year up to the total amount you have contributed by payroll deductions to your DCAP account. When you return to work your DCAP contributions will continue to be deducted from your paycheck.

Who do I contact if I have questions about my FSA or DCAP account?

Contact UnitedHealthcare customer service at 1-800-842-9905.