



**Flex Compensation, Inc.**  
Flexible Solutions to Manage Benefits



## Our Company

Flex Compensation, Inc. provides flexible solutions to manage your benefits. With over 30 years in the business of benefits administration FCI combines lengthy experience with specialized expertise in reimbursement account and COBRA administration. We take pride in our superior customer service and long-term client relationships. We work with employers ranging in size from less than 200 employees to more than 20,000 employees, and our proprietary state-of-the-art systems allow us to deliver a personalized administration solution to each client.

The average length of FCI's relationship with third party administration clients is over 10 years. And many of these clients have been working with the same FCI Benefits Administrator the entire time. At a time when administrative services are often viewed as a commodity purchased on the basis of cost per transaction and vendor relationships come and go, FCI's goal is to develop a long-term partnership with each client that goes beyond processing transactions to include exceptional service, consistency and stability. Ultimately, that results in the most cost effective administrative solutions.

### RECENT PARTICIPANT SATISFACTION SURVEY RESULTS:

over **95%**

of respondents rated FCI's overall service as good or excellent.

*"With the way a lot of customer service is handled these days, [your administrator's] commitment, integrity and level of service has been truly outstanding."*

*~ Participant Testimonial*



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# COBRA



## Administration

Flex Compensation has been providing COBRA administration services since the Consolidated Omnibus Budget Reconciliation Act (COBRA) was enacted. Our extensive experience makes us experts in this complicated area of benefit administration which, if not done properly, creates significant financial exposure for your company.

Many employers don't pay too much attention to COBRA administration, but that can be a costly mistake. FCI's goal is to minimize the financial exposure associated with COBRA by providing clients with simple, consistent procedures that incorporate checks and balances to ensure ongoing compliance with regulations and maintain accurate eligibility records. Our well-trained Benefit Administrators follow documented procedures and continuously stay abreast of ever-changing legal requirements.

We recognize that your time is valuable so we've developed our procedures with your convenience in mind. We provide several options for transferring qualifying event information to us including direct input through

FCI's web site, FAX and electronic files. We also have electronic interfaces with many benefit providers to ensure accurate eligibility, and the latest check processing technology to guarantee prompt processing of COBRA payments. Remember that for most employers the additional costs associated with paying claims on participants who should not be eligible are more significant than fines and penalties associated with regulatory non-compliance.

In an area that is so complex, we remove the headaches of detailed, time-consuming administration and minimize the time you must devote to COBRA activities. We free up your time so you can manage your business.



## Flex Compensation's COBRA Services

- When a qualifying event occurs, you simply notify FCI and we handle everything from that point forward.
- FCI will mail a COBRA notice and continuation election form to the former participant. At your option, we can also include a HIPAA certificate of coverage.
- If a participant wishes to continue coverage, he or she returns the continuation election form directly to FCI or enrolls online. We track election deadlines and ensure that correct payment is received.
- FCI notifies the appropriate benefit providers (or you) to reinstate coverage when continuation elections are received, and to terminate coverage when timely payment is not made or the end of the continuation period is reached.
- We send monthly payment reminders to participants who are continuing coverage. In addition to checks, recurring direct debit, online direct debit and credit card payment options are available.
- We receive and process COBRA payments, then transmit funds to you along with an itemized payment detail report.
- We handle all customer service contacts from both the COBRA participant and benefit providers.
- We provide COBRA activity reports that are available to you online, many with spreadsheet options for ad hoc reporting.
- Other optional services include initial COBRA notification for new employees, carrier billing, Minnesota life continuation and support for non-COBRA benefit continuation such as retiree administration and severance packages.



### Participant Convenience

#### Superior customer service

Our toll-free customer service line is available from 7:30 AM – 5:30 PM Central Time. Participants also have direct access to their assigned Benefit Administrator via email.

#### Personalized notices and enrollment forms

Continuation election forms and notices are personalized so participants receive only the information they need. They aren't confused with information and options that aren't applicable.

#### Easy-to-understand monthly payment reminders

Participants who elect continuation coverage receive a monthly payment reminder that itemizes their payment history. They always know what month their coverage is paid through, and if payment adjustments are necessary, they know immediately. Current payment history is also available online.

#### Timely payment processing

Payments are processed promptly using the latest check processing technology, and an automatic direct debit ACH option is available.

# FSA/HRA/HSA Administration



Reimbursement accounts are valuable employee benefits that are a win-win for both employees and employers. Employees save money by reducing their income taxes.

Employers can offer the plans very cost effectively because accounts funded through salary reduction actually decrease the employer's share of payroll taxes, thereby saving money. And perhaps even more important than the tax incentives, health care accounts are an integral component of the recent trend toward consumer driven health care strategies.

However, reimbursement accounts that are hard to understand and complicated to administer don't add value for either employees or employers. FCI makes offering reimbursement accounts convenient for both you and your employees. FCI's Benefit Administrators are experts at helping your employees understand their plan, and all of our communication material is simple but effective. 96% of individuals responding to our most recent participant satisfaction survey agreed that our EOB's and account statements are clear and concise. In

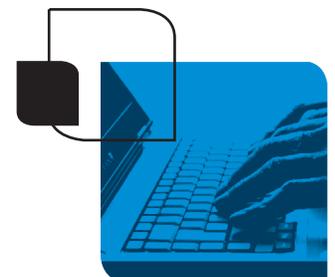
addition, participants always have access to their account information and additional informational resources through our web site. Almost 74% of FCI's participants use the web site as a primary source of information, and 95% of those participants agreed that the web site is easy to use and well organized.

FCI's goal is to make reimbursement account administration as painless as possible for plan sponsors. You simply provide us with enrollment information at the beginning of each year

and payroll deduction information each pay cycle – we do the rest. We offer an electronic interface that ensures accuracy and consistency, while minimizing your time commitment. We also provide a secure online file transfer process and support non-SSN employee identifiers to protect confidential personal information. An online enrollment option is also available.

Flex Compensation offers a full range of reimbursement account options:

- *Health Care Flexible Spending Account (FSA)*
- *Dependent Care FSA*
- *Limited Purpose FSA (can be used in conjunction with HSA's)*
- *Transportation Account*
- *Health Reimbursement Arrangement (HRA)*
- *Health Savings Account (HSA)*



## Flex Compensation's FSA/HRA/HSA Services

- We provide all participants with an enrollment packet at the beginning of each year (and as new participants are added mid-year). This packet includes claim forms, instructions for filing claims and a summary of claim documentation requirements.
- A dedicated Benefits Administrator processes account contributions and adjudicates claims based on strict adherence to IRS requirements.
- Funds are transferred from the plan sponsor to FCI only when claims are paid.
- Direct deposit and debit card payment options are available.
- Claim crossover from medical/dental plans is also available. This allows participants to receive automatic reimbursement of deductibles and co-pays without even submitting a claim.
- Activity reports can be retrieved online, most with spreadsheet options for ad hoc reporting.
- Year-end grace period administration available.
- Optional plan support services include nondiscrimination testing, Form 5500 preparation, plan documents and participant communication.
- Mobile apps for convenient anytime access to account information and claim/documentation submission.



### Participant Convenience

#### **Superior customer service**

Our toll-free customer service line is available from 7:30 a.m.–5:30 p.m. Central Time. Participants also have direct access to their assigned Benefit Administrator via email.

#### **User friendly web site**

Detailed account information is available online, and new functionality allows online submission of claims.

#### **Convenient claim submission**

Manual claims can be submitted online, by mail or FAX.

#### **Quick claim payment**

The average claim turnaround for a weekly payment cycle is 4–5 days. Most participants take advantage of direct deposit.

#### **Email communication**

Participants can elect to receive EOBs, account statements, and follow-up requests via email. We'll even provide notification by email whenever a claim is received and processed.