



Please share this information with all of your employees that participate in the Holston Conference Health Insurance and Clergy Pension Plan

It's that time of the year again when you have the opportunity to choose the best health benefits for you and your family.

Health Insurance

You can choose between one of our existing three plans—High, Middle, and H.S.A. plans. To change plans, you must contact Ken Luton at (865)293-4136 or email kenluton@holston.org prior to November 30, 2011 in order for changes to become effective January 1, 2012. If you do not need to make any changes, you do not need to do anything.

Highlighted Health Plan changes:

- New health insurance rates for 2012 will be reflected on your billings sent on December 15th. You can find these rates in the Book or Reports or on our website at <http://www.medplans.holston.org>
- The Church paid portion remains constant at \$8,220 for 2012 for all plans. This will continue to be billed in monthly increments of \$685 per month.
- High Plan-participant rate increase 2%.
- Middle Plan- Participant increase 0%.
- H.S.A. Plan-Participant increase 0%. Also, beginning January 1, 2012 you can have your H.S.A. deductions deposited into an H.S.A. account at the Holston Methodist Credit Union or HealthEquity (formerly First Horizon). Also, contributions for the Conference amount paid will be deposited by January 10, 2012 for the entire year of contributions. New enrollees must sign-up for an account at the Credit Union or HealthEquity and provide this information to the Conference Office in order to receive the contribution from the Conference.
- The retiree premium increase is 3% and early retiree increase will be 10% based upon an analysis of our claims costs for these distinct groups.

Flexible Spending and Dependent Care Accounts

Previously, the Conference used AFLAC to administer its section 125 cafeteria plan. As we announced at Annual Conference, beginning January 1, 2012, the Holston Conference will begin using PBS to administer our plans to provide the tax savings of participating in the Flexible Spending and Dependent Care Accounts. It is our intention to begin billing any elections you make as a part of the normal health insurance bill to assist you in keeping adequate records with a target date of December 15th. If you have an existing AFLAC policy, you can continue these policies with your existing agent, but they will be paid directly to AFLAC, instead of to the Holston Conference. You and your AFLAC agent will need to coordinate this transition.

Significant Tax Savings

When selecting your new plan-year benefits, consider the advantages of a Health Care **Flexible Spending Account (FSA)** and/or the **Dependent Care Account (DCA)**. The FSA and DCA are separate programs that are valuable benefits when paying for health-related, out-of-pocket medical costs not covered by your insurance (FSA) and paying for dependent care expenses (DCA). The more you use these programs, the more you save through reduced tax dollar savings. If you have not considered an FSA or DCA in the past, it pays to take another look.

The FSA and DCA programs make sense for anyone who will incur out-of-pocket expenses for medical or dependent care, especially for Clergy that pay both sides of FICA. Take a moment to consider the out-of-pocket health care costs you might have this year for doctor visits, dental work, prescriptions, glasses and contact lenses, etc. An average family of four in the U.S. can expect to pay close to \$2,000 annually on the type of expenses that are covered by the FSA. In addition, the cost of child care is rising and many families are now spending more than \$5,000 annually on dependent care expenses.

You work hard for your paycheck, and we want you to keep as much of your money as possible. With a Health Care FSA and DCA, every dollar you set aside provides increased tax savings and accessible income. Your annual program election amounts are deducted from your paycheck each pay period before federal income taxes, Social Security taxes, and state income taxes (in most cases) are taken out, which means you do not pay taxes on your FSA and DCA contributions. You'll be surprised at how much you will save with just a couple hundred dollars of expenses. For Example:

If you contribute \$2,000 into a Health Care FSA, you can save over \$500 in taxes!

If you contribute \$5,000 into a Dependent Care FSA, you can save over \$1,500 in taxes!

Accessing your FSA and DCA funds can be as easy as a swipe of a card. The Progressive Benefit Solutions FSA and DCA come with the PBS Prepaid Benefits Card! The PBS Prepaid Benefits Card is loaded with the value of your annual elections amounts, helping you keep cash in your wallet.

You can use your PBS Prepaid Benefits Card to pay for eligible medical expenses in the FSA plan such as:

- Covered prescription and doctor copayments and deductibles
- LASIK surgery, eyeglasses & Contacts
- Out-of-pocket dentist or other provider fees
- Health plan deductibles and coinsurance
- Patient balance due
- Orthodontics
- RX Mail Order

Simply present the PBS Prepaid Benefits Card at locations that accept MasterCard® and the amount of your eligible expense will be automatically deducted from your account. When you use the card, you'll have no claim forms to complete and you won't have to wait to get a reimbursement check in the mail. If you participate in both the FSA and DCA programs, your contributions are loaded on the same card. The card is programmed to know which account to take your funds from when swiped. (DON'T FORGET! Always save your receipts for FSA and DCA purchases, as you may be asked to submit receipts to verify that your expenses comply with IRS guidelines.) Additionally, you can check your account balances or account details anytime using the PBS On-line system or through a quick phone call.

Open enrollment to make changes to existing health benefit plans ends November 30, 2011. You can read more details about these plan details and other items on our website at <http://www.medplans.holston.org> . You will receive your PBS debit card by December 31, 2011.

We are also going to be making some changes to the format of our billings beginning January 1, 2012. It is our intent to attempt to make our billings more "user-friendly."

If you are an appointed clergy member, please report any FSA, Dependent Care, and Health Insurance Premium deductions on line #17 of your 2012 Pastor's Support Worksheet.

Pension Plan (clergy only)

In 2012, the pension direct invoice will continue to be 16.3% of line #12 on your submitted pastor's support worksheet (PSW). If your compensation changes as of January 1st, the new compensation amount will be reflected on your bill processed on January 15th. During 2012, the General Board of Pensions will continue to bill your church for any elective amount that you have withheld from your paycheck, which is not an expense of the church, since it is withheld from your paycheck. These elective amounts withheld should be listed on lines #13, #14, and #16 of your 2012 PSW. Any elective changes, such as a % change, must also be reported to the General Board of Pensions on their required forms. If you are leaving your % the same for 2012, no action is necessary to effectuate this change.

**HEALTH INSURANCE
OPEN ENROLLMENT ENDS
November 30, 2012**



Need to contact us:
Call us at: 1-888-333-3901
E-mail us at:
claims.support@pbs-info.net
Visit us on the web at:
www.pbscard.com
Fax: 203-234-1139



You will receive TWO Cards in the mail at home, along with important information on using the Benny Cards. Your cards are valid for 5 years. Please use your cards until their expiration date or from one plan year to another. You will not be sent new cards until your cards expire.



- ACTIVATE and SIGN your Cards.
- If your spouse or dependent will be using the second card, have them sign the back of the second card.
- The Benny Cards take 2 hours to become active from the time of activation.

For prescription or office visit copayments...



Simply present *Benny*[®].

The Card gets SWIPED...



And payment is automatically deducted from your account



Dependent Care Assistance Program FSA (DCAP)

Plan Summary Fact Sheet

The DCAP is a valuable employee benefit. Regulated by the IRS, this program lets you pay for eligible dependent care expenses with pre-tax dollars. In other words, the money you deposit into the DCAP will never be taxed. That saves you money on every dollar you set aside. You can save as much as 30% on dependent care expenses by participating.

Progressive Benefit Solutions (PBS) recognizes that it has become increasingly difficult to pay for these expenses while you are employed. It is for this reason that PBS, under the provisions of C.G.S. Section 5-264(b), makes available to you a benefit program that offers significant tax advantages in helping you pay for qualified dependent care expenses.

The DCAP benefit program provides for the following:

- An annual pre-tax maximum election amount of up to \$5,000
 - *Note:* Participant's dependent care costs may exceed the YTD amount deductions submitted to PBS, necessitating split payments
- The DCAP payroll deductions can be used to covers expenses for a qualified dependent, defined as
 - Child(ren) under age 13 whom you are entitled to claim as dependents on your federal income tax return; and/or
 - Participant's spouse or any dependent living in household who is physically and/or mentally incapable of self-care who spends at least eight hours a day in your home
- Qualified dependent care expenses include:
 - Care at licensed nursery schools, day camps (not overnight camps) and child care centers which provide day care.
 - Services from individuals - other than your or your spouse's dependent or children under age 19 who provide care in or outside your home.
- Participants need to save all receipts because Dependent Care FSAs are IRS-regulated benefits and may require submission of receipts to verify expenses
- Dependent Care FSA funds become available as they are deducted from the paycheck and submitted to PBS
- Please contact PBS at 203-985-1711 if you have any additional questions.



PROGRESSIVE BENEFITS SOLUTIONS, LLC

NEW ENROLLMENT/CHANGE FORM

(Print clearly -No Abbreviations)

EMPLOYER NAME:

Form with fields: Last Name, First Name, MI, Social Security Number, Home Address, City, State, Zip, Daytime Phone, Home Phone, Date of Hire, Date of Birth, E-mail

Enrollment Status section with checkboxes for New Hire, Open Enrollment, Change in Status, and various reasons for status change.

Table with 4 columns: Flexible Spending Account (FSA), Dependent Care Spending Account (DCA), Qualified Transportation, and HSA Information.

Pay Frequency section with checkboxes for Weekly, Bi-weekly, Semi-monthly, and Monthly.

Acknowledge that section with a list of 10 bullet points regarding tax elections, forfeiture, and benefits.

Employee Signature and Date fields.

RETURN THIS COMPLETED FORM TO HUMAN RESOURCES FSA REMINDERS

Health Care Spending Account

- The health care spending account allows you to make pre-tax contributions to an account that may be used to pay for IRS approved health care expenses not covered under a health benefit plan for which you or your dependents for IRS tax purposes are enrolled. Examples of expenses include co-payments, deductibles, glasses and certain over-the-counter (OTC) drugs. A full listing of the eligible expenses can be found in IRS publication 502, Medical and Dental Expenses at www.irs.gov.

Dependent Care Spending Account

- The dependent care spending account allows you to make pre-tax contributions to an account that may be used to pay for the cost of care for your children under the age of 13 or for any dependent (including your parents) who is mentally or physically incapable of self-care and lives regularly in your household at least eight hours a day while you (or your spouse) work or attend school on a full-time basis.
- Eligible dependent day care includes day care centers, babysitters, or companions.
- You can contribute up to a maximum of \$5,000 if you are a single parent or a married couple filing a joint return (combined contributions made by you and your spouse cannot exceed \$5,000), or \$2,500 per person if you are married and filing separately.
- You should review whether a dependent care FSA or the federal tax credit would be more advantageous for you.

Enrolling in an FSA

- A new FSA enrollment election must be made each year. Participation is voluntary.
- You may contribute to one or both of the FSA's being offered.
- You do not have to be enrolled in the Company's medical/health plan to enroll in a flexible spending account.
- Once made, your election is **irrevocable and cannot be changed** during the Plan Year unless you have a qualifying status change.
- Expenses must be incurred within the current plan year or subsequent grace period if permitted.
- You will be issued a benefits debit card for ease of payment of your eligible FSA expenses. The card is valid for those continuous years that you elect to participate in the Company's FSA's up to the expiration date shown on the front of your card. Replacement fees will apply if a new card must be reissued or additional cards are requested. These fees will be deducted from your account.

Effective Date of Coverage

- If you are a new employee, you must make your FSA election and submit this form to Human Resources within 30 days of your eligibility date. Your contributions will become effective with the first pay period following your eligibility date. If you waive coverage at the time of hire, you must wait until the next open enrollment period to elect to participate for the subsequent plan year unless you have a qualifying status change during the plan year.
- If you are enrolling or making an election change mid-year due to a qualifying status change, your election must be received and approved by Human Resources within 30 days of the status change date.
- If you are rehired in the same calendar year after a break in service that is 30 days or less, your previous FSA elections will be reinstated as of your date of hire. If the break in service is longer than 30 days or if you are rehired in a new calendar year, you will make new FSA elections which will become effective as of your rehire date.



Directions for Logging Into the PBS Website As a First Time User:

Log onto the Website at <http://www.pbscard.com>

Under the Progressive Benefit Solutions (PBS) Logo, see above, select "Click Here to Login to PBS On-line"

"For First Time Login Only" your Login ID and Password are the following:

Login ID: Your SSN, no dashes or spaces

Password: The last 4 digits of your SSN

The next screen will prompt you to change your username and password.

If you have already created a username and password, please login using this information.

If you need to have your username and password reset, please send an email to:

claims.support@pbs-info.net

To Sign up For Direct Deposit:

To sign up for Direct Deposit, go to Profile: Update Profile.

Enter your Bank Account Routing Number and Account Number and click Save at the bottom of the screen.

Once you have signed up for direct deposit, all future payments will be deposited into your account within 72 business hours.

To Submit A Claim Online:

To enter a claim online in the PBS system, go to My Account: New Claim.

If you can upload a receipt into the PBS system, please upload file name in RECEIPT box below and click save. Once complete, no further action is required. The Allowed file types of SCANNED documents include: Microsoft Word (.doc), Adobe Acrobat (.pdf), JPEG (.jpg), Bitmap (.bmp), GIF (.gif)

If you CANNOT upload a receipt into the PBS system -- please complete the claim form online and then print the confirmation page and submit claim and all applicable receipt(s) via email, fax, or mail to PBS at:

Email: claims.support@pbs-info.net

Fax: 203-234-1139

Mail to:

Progressive Benefits Solutions, LLC
23 Maiden Lane
North Haven, CT 06473

If you have any additional questions or problems, please contact PBS.

Our email address is: claims.support@pbs-info.net

Our toll-free number is 1-888-333-3901.



PROGRESSIVE BENEFIT SOLUTIONS, LLC
Request for Reimbursement
FSA/DCA CLAIM FORM

Employer Name: _____

Employee Name:	Last	First	MI	SS#	
Address:	Street	City	State	Zip	Phone: ()

Please check if this is a new address

Please read the Reimbursement Account Rules and Claim Filing Instructions before completing this claim.

* Information below must be completed

MEDICAL EXPENSE CLAIMS						
Date of Service MM/DD/YY	Patient Name	Patient's SS#	Relationship	Name of Provider	Description of Service	Claim Amount
						\$
						\$
						\$
						\$
						\$
						\$
						\$
						\$
						\$
Total:						\$

DEPENDENT CARE CLAIMS						
Date of Service From To	Dependent Name	Age	Dependent Care Provider Name	Dependent Care Provider Address	Provider Tax ID#/SS#	Claim Amount
						\$
						\$
						\$
Total:						\$

EMPLOYEE'S CERTIFICATION FOR REIMBURSEMENT

I certify that the expenses for reimbursement requested from my accounts were incurred by me (and/or my spouse and/or eligible dependents), were not reimbursed by any other plan, and, to the best of my knowledge and belief, are eligible for reimbursement under my Reimbursement Plans. I (or we) will not use the expense reimbursed through this account as deductions or credits when filing my (our) individual income tax return.

Any person who knowingly and with intent to injure, defraud, or deceive any insurance company, administrator, or plan service provider, files a statement of claim containing false, incomplete or misleading information may be guilty of a criminal act punishable under law.

Employee Signature: _____ **Date:** _____ / _____ / _____

FOR FASTEST REIMBURSEMENT, FAX TO 203-234-1139 OR MAIL TO: PROGRESSIVE BENEFIT SOLUTIONS, LLC
23 MAIDEN LANE, NORTH HAVEN, CT 06473

Account Rules and Claim Filing Instructions

Rules for Both Dependent and Medical Accounts

1. You cannot submit a claim unless you are participating in the Cafeteria Plan.
2. You can be reimbursed only for eligible expenses occurring during the coverage period in which your contributions are made.
3. You can submit a claim at any time during the plan year and for a specified period after the plan year as described in the Summary Plan Description.
4. If you terminate employment, you can submit a claim for a specified period after the date of termination if so stated in the Summary Plan Description as long as the service occurred before your date of termination.
5. IRS rules stipulate that any money left in your account(s) after all reimbursements for the plan year have been processed cannot be carried forward or returned. Money in one account can not be used for expenses incurred in another account. For instance, any unused amounts left in the medical account can not be used to reimburse dependent care expenses.
6. You cannot receive payment from any other source for expenses reimbursed by claim, and you certify that you are not eligible to bill any other source for the reimbursed expenses.
7. If you have received reimbursement for expenses, you cannot claim the expenses for income tax purposes.
8. You cannot bill for a service period that begins in one plan year and ends in the next plan year. File two reimbursement claims, one for each plan year covering the period during that plan year.
9. Complete ALL the information on the claim form for each amount claimed for reimbursement.
10. Attach copies of receipts from service providers or the Explanation of Benefits Form from Insurance Carriers to the claim.
11. Sign and date the claim.
12. Make a photocopy of the claim for your records.
13. Submit the Claim with attached receipts to Progressive Benefit Solutions, LLC according to the procedures provided. Additional Claims are available from your employer.

Dependent Care Expenses

1. You can use a Dependent Care Spending Account only if you pay dependent day care expenses to be able to work. Your day care services can take place either inside or outside of your home. If you are married, your spouse must also work, go to school full time, or be incapable of self-care for you to be eligible.
2. Only (a) dependents age twelve and under or (b) dependent adults or children who are mentally or physically incapable of self-care are covered.
3. Your Maximum Contribution Amount can not be more than the smaller of (a) or (b).
 - a. Your income or your spouse's income, whichever is smaller. If your spouse is a full-time student or incapable of self-care, your spouse is considered to earn \$2,400 per year with one dependent or \$4,800 per year with two or more dependents.
 - b. \$5,000 per year if your tax filing status is married filing jointly and or single head of household or \$2,500 per year if your tax filing status is 'married filing separately'.
4. You cannot claim expenses if the service provider is your child or stepchild and are under age 19 or if you claim the service provider as a dependent for Federal income tax purposes.
5. To be reimbursed, you must include the facility's name, address, and tax identification number or the Social Security number of the individual providing the dependent day care service.
6. The maximum amount you can be reimbursed during the time you are covered in the Plan Year can not exceed the salary reduction amounts you have elected and made under the Dependent Care Assistance Plan less any previous reimbursements paid.

Internal Revenue Service Publication 502 lists the eligible tax-free expenses. An Eligible expense means any item for which you could have claimed a medical expense deduction on an itemized Federal income tax return (except insurance premiums, long-term care and other similar charges) and is not eligible under your medical or any other source. You or your dependents while participating in the plan must incur the expenses.