

## *Administrative Solutions: Providing Top Solutions for Your Organization*

Magnolia ISD invests significant resources into employee benefits decisions that affect your organization. One of your biggest challenges is to ensure that they are made in the best interest of all involved. Options need to be weighed to see how they will impact you, your employees and your organization.

In a world of ever-changing employee benefit scenarios, success is dependent on selecting the right company to help you identify and navigate barriers and complications related to maximizing options. Partnering with us, a fully-licensed third-party administrator opens the doors to industry best practices, utilization of advanced methods of technology, and up-to-date management of compliance and legal regulations.

In addition, we offer a full range of administrative services such as online billing, record keeping, and program evaluation to keep your organization running smoothly and efficiently.

### COMPAREPLUS

Our ComparePlus tool provides a more efficient way for us to quickly compare the vendor invoice to payroll data and the enrollment platform for you. The software identifies the discrepancies in a very easy to understand format, expediting the vendor billing reconciliation process.

### ADMINISTRATIVE BILLING CENTER

Our online Administrative Billing Center (ABC) system allows your payroll department to view your invoice entirely online and compare to payroll. It helps eliminate paper invoices and drastically cuts the time it normally takes to reconcile. Features include:

- View employee premiums and coverage information
- View individual premium history
- System integration between invoice and enrollment platform
- Download invoice online

### FLEXIBILITY

We understand needs vary between groups, which is why our ABC system provides the utmost flexibility. You can reconcile your invoice accurately and easily with system and payroll alignment to minimize monthly adjustments. It provides access for a file download to various formats such as Excel and/or PDF.

### SECURE ONLINE ACCOUNT ACCESS

You can trust that First Financial will keep all of your information safe. Our website is completely secure, and our experienced technical staff will make sure it stays that way.

### ON-LEAVE BILLING

Over the years, we heard from our customers that they need a better way to manage benefits for employees who are out on leave. To help alleviate the stress associated with this additional task, we introduced an on-leave billing program that works in conjunction with our billing system.

Our standalone on-leave billing system works like this: If an employee goes out on leave and deductions are no longer sent via payroll, the system will generate a letter outlining the benefits for which funds were not received, who to call for details and where to send payment. The employee will be mailed this letter each month while on leave. You will receive copies of the system-generated letters for your files.

This value-added service relieves your payroll office of the responsibility of collecting premium and tracking employees who are out on leave. Never again will employees' benefits be in jeopardy due to non-payment because of leave of absence or failure of notification of the premiums due. Let us handle that for you.

### SECTION 125 PLANS

Costs for the administration of your benefit plans continue to rise and make it expensive to provide employees with quality programs. With Section 125, also known as "Cafeteria Plans," you can reduce payroll-related taxes while allowing employees to pay for benefits on a pre-tax basis. We provide cost-effective methods to manage plans and maximize pre-tax contributions. We will determine which products qualify under Section 125 as well as the following:

- Assure continuing compliance with IRS and Department of Labor regulations and your unique rules
- Provide all necessary forms and review all Salary Reduction Agreements, Benefit Election Forms, Plan Documents, and plan changes and amendments
- Coordinate Post Enrollment Payroll Software Upload
- Maintain all plan records to provide verification of plan compliance
- Process and administer all new and existing payroll deductions for insurance products under Section 125
- Process all medical reimbursement and dependent care flexible spending account claims
- Assist with carrier claims and associated follow-up as needed
- Provide consolidated online billing to allow payroll departments to submit one check to us for all payroll-deducted products. All interest-bearing and time-sensitive contributions will be processed by our Contribution Desk within two working days of the receipt of the funds.

## BENEFITS MANAGEMENT SYSTEM

FFenroll and BenefitSolver are industry-leading benefits administration platforms. Our enrollment system(s) is designed for employers like you who are looking to streamline their enrollment, administrative and compliance processes into one, convenient solution. With 24/7 online access, it makes choosing and administering your benefits easy. Additionally, your custom payroll file will be derived from the election data captured in the benefit website, plus the system is updated in real time so you always have the most recent information available.

- **Dashboard & Custom Reporting:** Upon signing in to Ffenroll or Benefitsolver, you will see a dashboard that includes an at-a-glance chart of your group's enrollment data as well as customizable tabs for policy numbers and plan rules. You can also quickly access employee benefit files and enrollment history. Plus, there's no need for you to worry about creating report templates. With hundreds of established feeds, there's a good chance we already have one made. If not, custom reporting is also available for your specific needs. All reports are generated in Excel format and can be filtered and sorted so you can easily gather all the data you need.
- **ACA Reporting Capability:** Did you know that 90 percent of the data required for ACA reporting is living in your enrollment system? We've got you covered. We offer ACA solutions that integrate with either benefit platform and most importantly, fit your needs.
- **Administrative Automation:** Time is money. Ffenroll or BenefitSolver allows you to conserve resources with task automation. Our administrative dashboard includes time-saving features such as a quick glance open enrollment chart, customizable tabs for policy numbers, plan rules, and easy access to employee benefit files and enrollment history.
- **Industry-Leading Flexibility:** With new and innovative products trending in employee benefits, Ffenroll or BenefitSolver is designed to handle complex plan designs and benefit offerings with ease.
- **Standardized Reporting:** Reporting made easy! Our system includes a comprehensive set of built-in reports that administrators can use out of the box or customize as needed with features such as controlled access, simple point-and-click usability, point-in-time reporting, change reporting, drill-down filtering, and multiple output formats.



### REIMBURSEMENT ACCOUNTS

We provide cost-effective methods to manage plans and maximize pre-tax contributions. There are a few IRS-approved plans available to help employees save on taxes and increase their spendable income. These plans include Health Savings Accounts, Flexible Spending Accounts, Limited Purpose Flexible Spending Accounts and Dependent Day Care Accounts. Each account offers different tax advantages for different purposes, such as medical and daycare expenses.

#### Health Savings Accounts

Health Savings Accounts (HSAs) were created to help control healthcare costs. They provide a savings vehicle that allows participants to set aside money to pay for higher deductibles associated with lower monthly premium High Deductible Health Plans. The money saved in monthly insurance premiums may be set aside for eligible medical expenses incurred in the future. Balances roll over from year-to-year earning interest along the way.

We partner with trustee banks to offer a no-fee arrangement for HSA administration, which allows us to provide customer service to all your HSA participants as well as employees who participate in Dependent Day Care and Limited Purpose Flexible Spending Accounts. *(\*The no-fee arrangement is applicable only when the participant goes on the portal and elects to not receive a paper statement. Please note that some trustee banks charge fees for various services.)*

#### Flexible Spending Accounts

One component of our Section 125 Flexible Benefit Plan that offers convenient before-tax savings options is the Flexible Spending Account (FSA). We provide flexible spending accounts and a mobile app to participants at no charge to the District or its employees. Your employees determine a sum of money to set aside into an account on a pre-tax basis to cover the cost of qualified expenses associated with these three account options:

- **Medical Expense Reimbursement Accounts** that cover out-of-pocket health care costs like deductibles and co-pays.
- **Dependent Care Expense Reimbursement Account** allocations cover the cost of childcare or elder care to allow an employee and/or spouse to continue working. For this account, we provide record-keeping services to more than 40,000 flexible spending account participants. As an employer, you can expect us to provide the following:
  - Reconciliation of vouchers on accounts that have been properly funded, and claims processed as soon as possible with an average turnaround of three to five business days from the date all required claim information is received
  - Notification of remaining balances in accounts with each payment and at the end of the plan year
  - Monthly activity report to bookkeeper as requested
  - Monthly billing submitted to payroll and assistance with account reconciliation

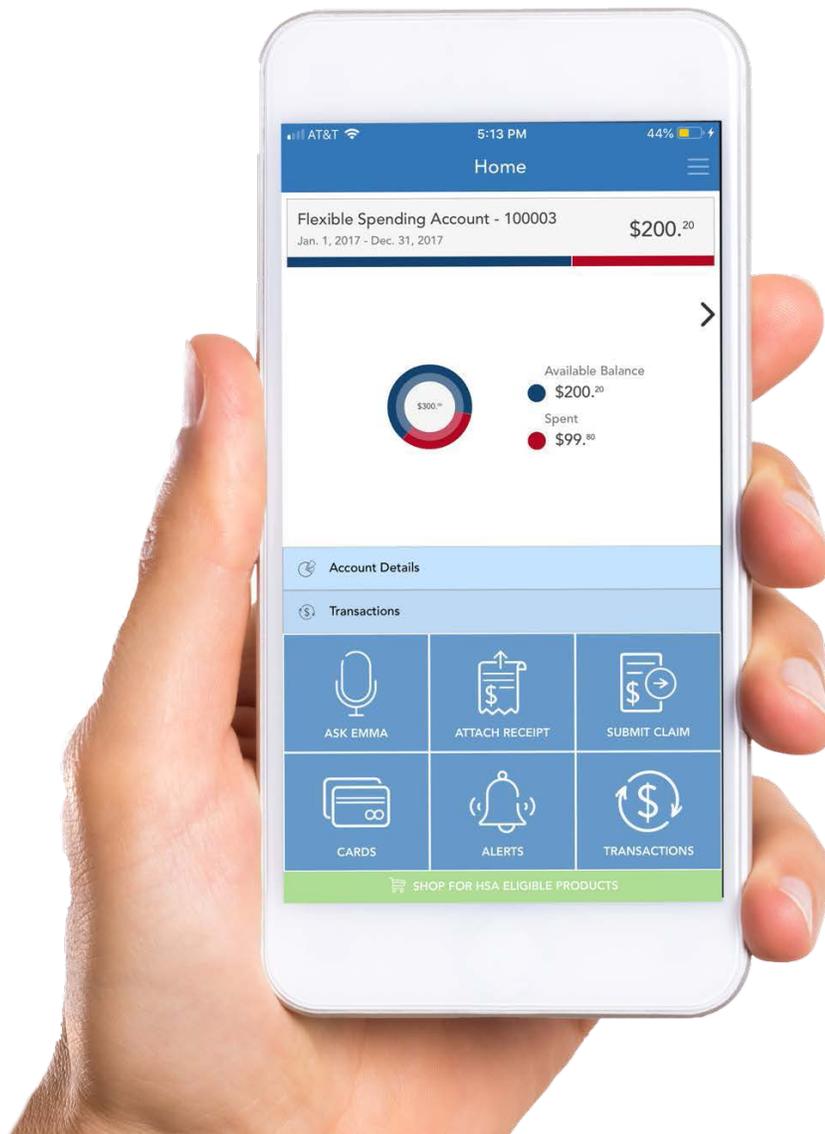
- **Limited Purpose Flexible Spending Account:** A Limited Purpose Flexible Spending Account (LPFSA) works together with a Health Savings Account to further maximize tax savings. By establishing an LPFSA, employees can save money on taxes by using the account for eligible dental and vision expenses while preserving HSA funds for other purposes. Funds can be accessed by submitting a claim or paying for expenses up front with a First Financial benefits card. If employees choose to submit a manual claim, reimbursement will be either mailed to them or directly deposited into their bank account.

**Reimbursement Accounts Resources:**

We offer the following extras for participants:

- **Interactive Voice Response:** When Flexible Spending Account and Health Savings Account participants need to quickly access account information on the go, they can use our Interactive Voice Response system. It is an automated phone system for participants to retrieve balance inquiries, report lost, stolen or damaged benefits cards and review transactions. There is also an option to be transferred to a customer service representative if the issue requires more personalized attention.
- **Online Store:** First Financial has partnered with the FSA Store and HSA Store to bring participants an easy to use online store to better understand and manage your reimbursement account. Participants can shop at the store for eligible items from bandages to wheel chairs and thousands of products in between, browse or search for eligible products and services using the Eligibility List, and visit the Learning Center to help find answers to questions.
- **Benefits Card:** Our convenient First Financial benefits card provides instant reimbursement, without your employees having to pay for their qualified expenses upfront and waiting for reimbursement. The benefits card can be used with Medical Flexible Spending Accounts, Dependent Day Care Accounts, Limited Purpose Flexible Spending Accounts and Health Savings Accounts. It reduces some paperwork and helps employees minimize the number of forfeitures at the end of a plan year.
- **Online Tools:** We are pleased to provide customized online resources to plan participants.
  - **Employee Benefits Center:** This is a custom website built specifically for your organization. It offers these great features:
    - Detailed information about benefits, voluntary product offerings, and employer programs
    - Section 125 Plan and Flexible Spending Account information
    - Important contact numbers and links
    - Downloadable forms and brochures

- **FSA and HSA Online Portal and Mobile App:** Flexible Spending Account (FSA) and Health Savings Account (HSA) participants can conveniently view their account information online using our online portal and mobile app.
  - **FSA Features:**
    - Account information
    - View card details and profile information
    - Submit FSA claims using an electronic claim form
    - View pending claims
    - Upload receipts and documentation
    - Receive alerts
    - Update direct deposit information
  - **HSA Features:**
    - Request distributions
    - Invest in HSA funds
    - Make additional contributions
    - Pay a provider or pay yourself
    - Download tax forms



### COBRA

**Submission Process:** Your designated benefits administrator enters the termination in the enrollment platform to submit all necessary information to generate COBRA notifications for employee and dependent qualifying events such as:

- Voluntary or involuntary terminations (excluding gross misconduct)
- Reduction of hours
- Loss of dependent coverage due to the death of an employee
- Divorce
- A dependent child who no longer meets the eligibility criteria

**Our Responsibility:** Once the information is supplied by an employer, we assume the responsibility of COBRA administration by:

- Generating and mailing COBRA notifications
- Sending out notifications using certificates of mailing, while also supplying a record of when and to whom notifications are sent
- Supplying payment coupons to COBRA qualifiers who elect COBRA to track receipt of payment helping assure timely remittance and staying in compliance with the required time frame
- Contacting carriers to reinstate coverage and remit premium payments to the carriers
- Sending out termination letters due to non-payment of premium or the exhaustion of COBRA coverage
- Notifying carriers of changes and/or termination in coverage
- Sending out re-enrollment packets to active COBRA participants at plan renewals