



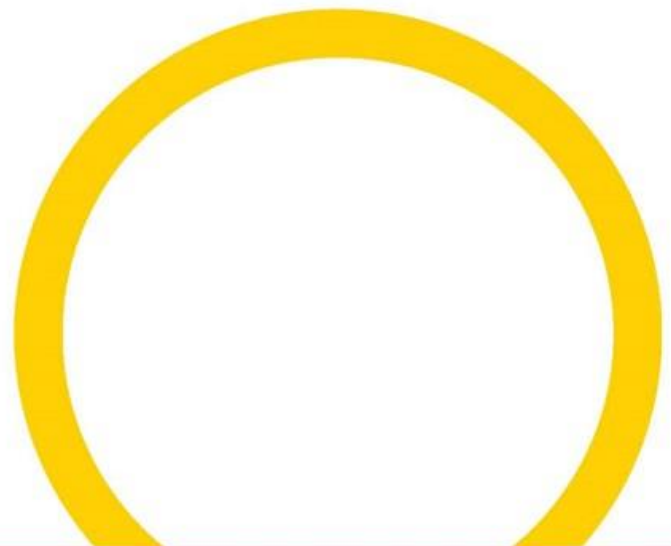
Benefit Services | A Ministry of the ELCA

# **ELCA FLEXIBLE BENEFITS PLAN**

## **Tax-Advantaged Accounts**

## **Traditional Benefits Program**

Summary Plan Description  
Effective January 1, 2022



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# Introduction

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## About the ELCA Flexible Benefits Plan

The legal name of the ELCA Flexible Benefits Plan is the Evangelical Lutheran Church in America Flexible Benefits Plan. It is referred to in this document as the “ELCA Flexible Benefits Plan,” “Flexible Benefits Plan,” or “Plan.” The Plan is intended to qualify as a cafeteria plan under Section 125 of the Internal Revenue Code.

## About the Summary Plan Description

This Summary Plan Description includes eligibility requirements, enrollment details, and benefit requirements under the Flexible Benefits Plan. The Flexible Benefits Plan document is the official legal document of the Plan and an individual’s rights are governed by it. If this Summary Plan Description is found to be inconsistent with the Plan document, the Plan document will control.

## About the Traditional Benefits Program

The Traditional Benefits Program (also known as the ELCA Pension and Other Benefits Program) is a bundled-coverage program that provides one comprehensive set of wellness-oriented benefits to Members. With the Traditional Benefits Program, a Member is enrolled in all of the following four benefit plans:

- ELCA Medical and Dental Benefits Plan
- ELCA Retirement Plan
- ELCA Survivor Benefits Plan
- ELCA Disability Benefits Plan

Members may also be eligible to enroll in the ELCA Flexible Benefits Plan.

## About Portico Benefit Services

For more than 200 years, Portico Benefit Services and the predecessor ministries of the Evangelical Lutheran Church in America have supported the well-being of those who serve and have tailored its benefits to meet the unique needs of this community.

Doing business as Portico Benefit Services, the Board of Pensions of the Evangelical Lutheran Church in America offers health, dental, retirement, life insurance, disability coverage and other benefits designed to enhance the well-being of those serving ELCA-affiliated congregations and organizations.

In addition to the plans under the Traditional Benefits Program, Portico maintains the ELCA Retirement Savings Plan for Members in the Flexible Benefits Program, and the ELCA Master Institutional Retirement Plan and ELCA 457(b) Deferred Compensation Plan for ELCA-affiliated organizations. The assets of each plan maintained by Portico are held in separate trusts and do not allow one plan to fund another plan

# ELCA Flexible Benefits Plan Overview

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The ELCA Flexible Benefits Plan — Tax-Advantaged Accounts:

- Allows you to set aside pretax dollars into tax-advantaged accounts for the purpose of paying for eligible health care expenses and dependent (day) care expenses.
- Allows an employer to withhold pretax contributions from a Member's paychecks for the Member's ELCA health benefit contribution (premium) cost.

The Plan includes four types of tax-advantaged accounts:

- **Health flexible spending account (Health FSA)** — Allows eligible Members to pay for eligible health care expenses with pretax dollars.
- **Dependent (day) care flexible spending account (Dependent Care FSA)** — Allows eligible Members to be reimbursed with pretax dollars for eligible expenses incurred for the care of children or other eligible dependents.
- **Health savings account (HSA)** — Allows eligible Members to pay for eligible health care expenses incurred by Members and eligible family Members with pretax dollars.
- **Limited-purpose health flexible spending account (Limited-Purpose Health FSA)** — Allows eligible Members with an HSA to be reimbursed with pretax dollars for vision and dental expenses only, until the deductible is met. After the health deductible is met, it functions like the Health FSA, allowing use for eligible health care expenses.

Because pretax contributions to tax-advantaged accounts in the ELCA Flexible Benefits Plan are not taxable income, a lesser amount of Social Security payroll tax will be withheld which may reduce the amount of Social Security benefits you receive in retirement.

# Health Flexible Spending Account (Health FSA)

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The Health Flexible Spending Account (Health FSA) allows you to contribute to a tax-advantaged account by entering into a salary reduction agreement with your employer to withhold pretax dollars from your pay before federal income taxes (and state income taxes, in most states) are calculated. You use the pretax money in the Health FSA to pay for eligible health care expenses that you and your eligible family members incur during the Plan Year. The Health FSA is administered by Further<sup>SM</sup>.

Even though contributions are withheld from your pay throughout the Plan Year, when you enroll in the Health FSA you have access to the full amount of your annual contribution election starting Jan. 1 or the first day of the month following enrollment if you are newly eligible after Jan. 1.

## Eligibility

Members eligible to enroll in the Health FSA are:

- Sponsored Members who have the:
  - ELCA-Primary Platinum+ or Gold+ health benefit option,
  - ELCA-Primary Silver+ or Bronze+ health benefit option, have elected not to enroll in Medicare, **and** are age 65 or older on April 1, 2022 or within three full months of enrolling in the ELCA Traditional Benefits Program, or
  - ELCA Medicare-Primary health benefits,
- Sponsored Members who waive ELCA health benefits because of valid other group health coverage (such as coverage provided by a spouse's employer or a non-ELCA employer), or
- Members who are receiving benefits under the ELCA Disability Benefits Plan

Members **not** eligible to enroll in the Health FSA are:

- Sponsored Members who have the ELCA-Primary Silver+ or Bronze+ health benefit option and are enrolled in an HSA. NOTE: These Members are eligible for the Limited-Purpose Health FSA.
- Sponsored Members who waive ELCA health benefits due to subsidized individual health coverage purchased through a health insurance exchange.
- Sponsored Members who have an invalid waiver of ELCA health coverage.
- Sponsored Members who have Aetna International health benefits.
- Self-sponsored Members (the IRS does not allow self-employed individuals to have an FSA).
- Members with coverage continuation, including Members who are retired.

## Eligible Expenses

An eligible health care expense is any item that you could have claimed a health care expense deduction on an itemized federal income tax return but you have not claimed a tax deduction, or otherwise been reimbursed from insurance or some other source.

Eligible out-of-pocket health care expenses can be reimbursed from your Health FSA when they are incurred by you, your spouse, tax dependents, and adult children through the end of the month in which they turn age 26 (even if not your tax dependent).

Examples of Health FSA eligible expenses include:

- Medical, mental health, and prescription drug (non-cosmetic) deductibles, copayments, and coinsurance
- Unreimbursed dental expenses (non-cosmetic)
- Unreimbursed orthodontia expenses
- Unreimbursed chiropractic treatment
- Prescription eyeglasses, prescription sunglasses, and contact lenses
- Surgery to correct your vision (such as Lasik)
- Hearing aids
- Over-the-counter medications

Examples of expenses that are **not** eligible include:

- Health insurance coverage costs (contributions or premiums) for you or your eligible family members
- Cosmetic procedures
- Expenses for which you claimed an income tax deduction
- Expenses reimbursed from insurance or some other source

You can find a list of eligible Health FSA expenses on the *Health Flexible Spending Account* page on myPortico. If you have questions about an item's eligibility, contact Further, consult your tax adviser, or read *IRS Publication 502, Medical and Dental Expenses* at [www.irs.gov](http://www.irs.gov).

## Enrollment

To participate, you must enroll and make an annual election during the required period:

- If you are eligible for Annual Enrollment, you must enroll during the Annual Enrollment period. Your Health FSA begins Jan. 1, 2022.
- If you are a new employee hired after Jan. 1, 2022, you must enroll within 60 days of becoming eligible. Your Health FSA begins the first day of the month following enrollment.

A change in your life, call, or employment can affect your benefits. Find details by visiting *myPortico*.

If you do not enroll during the required period, you cannot have a Health FSA during the Plan Year unless you experience a Qualifying Election Change Event and enroll within 60 days of the event.

## Determining Your Annual Election

When you enroll, you indicate the total annual amount you wish to contribute during the Plan Year. Your annual Health FSA election remains in effect through the end of the Plan Year unless you experience a Qualifying Election Change Event and change your election within 60 days of the event.

## Annual Contribution Limit

The IRS determines maximum annual contribution limits for tax-advantaged accounts. The 2022 annual Health FSA contribution limit is \$2,850 per person. If you elect an amount that exceeds the contribution limit, Portico will reduce your election to the IRS maximum annual contribution amount.

Your annual election cannot be more than your (and your spouse's) taxable earned income. For example, if you are a pastor and claim all of your income as housing allowance, you are not eligible to enroll in the Health FSA because you have no taxable earned income to contribute to the Health FSA.

## If You're Already Enrolled in a Health Savings Account

The IRS does not allow Members to have a Health FSA and contribute to a Health Savings Account at the same time. However, a Member may have a Limited-Purpose Health FSA and contribute to a Health Savings Account.

## Contributing to Your Account

After you've enrolled in a Health FSA, Portico divides your annual election amount into contributions based on payroll frequency and then bills your Employer monthly for your contribution. Your employer withholds your Health FSA contributions from each paycheck before calculating federal income taxes (and state income taxes, in most states) and submits your contribution to Portico monthly. Portico reports the amount to the claims administrator, Further, and the contribution is credited to your Health FSA.

If you enroll during Annual Enrollment, Portico credits your annual election amount to your Health FSA on Jan. 1. If you enroll after Annual Enrollment, your Health FSA is opened on the first day of the month following enrollment and Portico will credit your annual election amount on that date.

## Continuing Coverage

If you separate from service, after-tax Health FSA contributions are only allowed if:

- you have a balance in your Health FSA when you separate from service; and
- the after-tax Health FSA contribution amount for the remainder of the Plan Year is the same as your pretax Health FSA contribution election, unless you have a Qualifying Election Change Event and change your election within 60 days of the event.

If you are no longer sponsored by an employer in the ELCA Flexible Benefits Plan and you continue to participate in the Health FSA, you will receive a monthly invoice for your after-tax Health FSA contribution.

## Accessing the Money in Your Account

Even though contributions are withheld from your pay throughout the Plan Year, you have access to your full annual election amount on Jan. 1 or the date your Health FSA begins if you enroll after Annual Enrollment. This means you can use the full amount of your Health FSA for eligible expenses incurred after enrollment even if the money hasn't yet been deducted from your pay.

NOTE: You cannot use money from a Health FSA to pay for expenses allowed under the Dependent Care FSA or vice versa. Money cannot be comingled or transferred between FSAs or other tax-advantaged accounts.

## Deadlines

**Incur Expenses by Dec. 31, 2022** — You can incur eligible health care expenses through Dec. 31, 2022. An expense is incurred when the service is provided, not the date it's billed. It is not necessary to have paid an amount due for a health care expense, only to have incurred it through Dec. 31, 2022.

**"Use It or Lose It" Rule** — In accordance with IRS regulations, you forfeit any balance in your Health FSA that is not claimed for 2022 eligible expenses by April 30, 2023, or within four months after you terminate employment, whichever is earlier. In this situation, your account balance is reduced to zero



and any unclaimed money becomes the property of the Plan. Forfeited amounts are used to offset the Plan's administrative costs.

Following the death of a Member, any balance in the deceased Member's Health FSA that is not claimed for 2022 eligible expenses by June 30, 2023, or within six months after the date of death, whichever is earlier, will be forfeited.

## Debit Card

Your Further debit card is a convenient way to access money in your Health FSA. This "smart" debit card accesses all funds that are currently available. Eligible expenses will be reimbursed from your Health FSA before your personal wellness account, because Health FSA dollars are "use it or lose it" and remaining personal wellness account balances roll forward if unused. You can use your debit card to pay for eligible expenses from retail purchases such as prescription drugs and vision services.

## Claims

If you do not wish to use your debit card to purchase an item eligible for reimbursement and you have ELCA-Primary health benefits and want to inactivate your debit card, you can elect to have eligible medical and mental health, dental, and prescription drug claims cross over automatically to Further for processing. Elect crossover on Further's website or by contacting Further.

You may also get reimbursed by submitting a claim on Further's website or mailing a paper claim to Further. In most cases, Further processes your claim within 14 days of receiving your request. You'll receive a check mailed to you by Further unless you sign up for direct deposit to a checking or savings account.

If your claim is denied because the information is incomplete, you have 180 days from the date of denial or until the end of the Plan Year (whichever is later) to give Further the necessary information. If you do not submit the information within 180 days or by the end of the Plan Year (whichever is later), your claim is void, and therefore not reimbursable.

NOTE: For income tax reporting, you are responsible for keeping records that show the distributions were to pay or reimburse eligible medical expenses.

## Changing Your Annual Election

Your annual Health FSA election remains in effect for the Plan Year unless you experience a Qualifying Election Change Event and change your election within 60 days of the event. However, if you've become a parent, stepparent, or the legal guardian of a child and you notify us of the birth, adoption, or placement in your home for adoption within 30 days of the event, the effective date of the change for your Health FSA will be the date of the birth, adoption, or placement for adoption.

Your new Health FSA election must be consistent with the qualifying event (see table below). You cannot decrease your election to less than the amount you have already received from, or contributed to, your Health FSA for the Plan Year. Your new election is effective the first day of the month after Portico receives your change request.

The following table outlines the **Qualifying Election Change Events** and what changes you are permitted to make if you experience one of these events.

<b>Qualifying Election Change Events for the Health FSA</b>		
<b>Qualifying Event</b>	<b>Allows You to Start or Increase Annual Election?</b>	<b>Allows You to Stop or Decrease Annual Election?</b>
<b>Family status changes</b>		
Marriage	Yes	Yes
New dependent (birth, adoption, placement for adoption, grandchild, stepchild, ward)	Yes	No
Dependent loses eligibility due to age	No	Yes
Divorce, legal separation, or annulment	Yes, if you lose coverage under a spouse's plan	Yes
A legal judgment, decree, or order (a qualified medical child support order) resulting from a divorce, legal separation, annulment, or change in legal custody	Yes, if you are required to provide coverage for a dependent	Yes, if you are no longer required to provide coverage for a dependent
Death of a spouse	Yes, if you lose coverage under a spouse's plan	Yes
Death of a child	No	Yes
Beginning a leave of absence provided under the Family and Medical Leave Act (FMLA) of 1993 or unpaid leave	No	Yes
Returning from a leave of absence provided under FMLA or unpaid leave	No, but you can reinstate Plan Year election	No
You or your eligible dependent has a change in residence that affects eligibility for health benefits	Yes	Yes

<b>Qualifying Election Change Events for the Health FSA</b>		
<b>Qualifying Event</b>	<b>Allows You to Start or Increase Annual Election?</b>	<b>Allows You to Stop or Decrease Annual Election?</b>
<b>Health coverage or employment changes</b>		
You gain eligibility for employer-sponsored health coverage or a Health FSA	No	Yes
You become eligible for ELCA benefits due to change in employment status (such as an increase in hours)	Yes, you can elect as if new employee	No
You terminate employment and are not sponsored again	No	Yes, you can stop upon termination
You terminate employment and are sponsored by a new employer within 31 days	No	No, you must continue coverage
You terminate employment and are sponsored again after more than 31 days	Yes, however, prior amount elected and new election cannot exceed annual maximum	Yes, you can stop upon termination
You gain coverage under Medicare or Medicaid	No, for Medicaid Yes, for Medicare if you continue to be sponsored	Yes
You lose coverage under Medicare or Medicaid	Yes	No
You lose other group health coverage	Yes	No
Your spouse, or dependent terminates employment, goes on strike, or starts unpaid leave	Yes, if event adversely affects your eligibility for coverage under the spouse's or dependent's plan	No
Your spouse or dependent starts employment, returns from strike, or returns from unpaid leave	No	Yes, if your family becomes covered under the spouse's or dependent's plan
Your spouse, or dependent changes employment and you are no longer eligible for coverage under the spouse's or dependent's plan	Yes	No
Your spouse, or dependent changes employment and you gain eligibility for coverage under the spouse's or dependent's plan	No	Yes, if your family becomes covered under the plan of your spouse, or dependent

Find the most current version of this Summary Plan Description of the ELCA Flexible Benefits Plan – Traditional Benefits Program can be found at [myPortico.PorticoBenefits.org/summaries](http://myPortico.PorticoBenefits.org/summaries). For questions or to receive a copy of the ELCA Flexible Benefits Plan, contact Portico's Customer Care Center at [mail@PorticoBenefits.org](mailto:mail@PorticoBenefits.org) or **800.352.2876**.

# Dependent Care Flexible Spending Account (Dependent Care FSA)

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A dependent (day) care flexible spending account (Dependent Care FSA) allows you to contribute to a tax-advantaged account by entering into a salary reduction agreement with your employer to withhold pretax dollars from your pay before federal income taxes (and state income taxes, in most states) are calculated. You use this pretax money to reimburse yourself for eligible expenses you incur during the Plan Year for the care of your eligible child or other eligible dependent to enable you and your spouse to work or seek work. The Dependent Care FSA is administered by Further<sup>SM</sup>.

The expenses you reimburse with your Dependent Care FSA cannot be claimed for any other tax benefit. However, qualified dependent care expenses that exceed the balance of your Dependent Care FSA may be eligible for the dependent care tax credit on your tax return. Consult your tax adviser for help determining the best option to claim dependent day care expenses for you and your family.

## Eligibility

All Sponsored Members are eligible to enroll in a Dependent Care FSA, **except** for those who:

- Have Aetna International health benefits,
- Are receiving benefits under the ELCA Disability Benefits Plan, or
- Are self-sponsored (the IRS doesn't allow self-employed individuals to have an FSA).

## Eligible Expenses

An eligible dependent care expense is an expense you incur for the care of an eligible dependent to enable you and your spouse to work or seek work. Eligible dependents include:

- Any child under age 13 whom you claim as a dependent on your federal income tax return
- Any person living with you who you claim as a dependent on your federal income tax return and who is physically or mentally incapable of self-care

Examples of Dependent Care FSA eligible expenses include:

- Wages paid to a babysitter or companion in your home, as long as the person providing the care is not someone you can also claim as a dependent. If the babysitter is your child and is not claimed as your dependent, he or she must be at least age 19 on the last day of the year
- Services of a day care facility and/or nursery school, if the facility complies with all state and local laws
- The cost of care provided before and after school
- Cost for adult care at a facility, such as a family day care or day care center, as long as your dependent spends at least eight hours a day at your home
- Wages paid to a housekeeper for providing day care for an eligible dependent
- Day camp

Examples of expenses that **do not** qualify:

- Babysitter hired to watch your child during non-working hours
- Education or tuition fees
- Overnight camp
- Transportation to and from the care provider

- Expenses for attending school (kindergarten or higher)

## Enrollment

To participate, you must enroll during the required period and make an election of the total annual amount you wish to contribute during the Plan Year:

A change in your life, call, or employment can affect your benefits. Find details by visiting *myPortico*.

- If you are eligible for Annual Enrollment, you must enroll during the Annual Enrollment period. Your Dependent Care FSA begins Jan. 1, 2022.
- If you are a new employee hired after Jan. 1, 2022, you must enroll within 60 days of becoming eligible. Your Dependent Care FSA begins the first day of the month following enrollment.

If you do not enroll during the required period, you cannot have a Dependent Care FSA during the Plan Year unless you experience a Qualifying Election Change Event and enroll within 60 days of the event.

## If You Are Divorced or Separated

Only the parent who has custody for the longest period during the calendar year is entitled to receive reimbursement for dependent care expenses, even though that parent may not be entitled to the dependent exemption on his or her federal income tax return. If you enroll in the Dependent Care FSA, Portico assumes you are the parent entitled to treat the child as an eligible dependent for dependent care purposes.

## Annual Contribution Limit

The IRS determines maximum annual contribution limits for tax-advantaged accounts. The 2022 annual dependent care FSA contribution limit is \$5,000 per household or \$2,500 if you are married but filing a separate federal tax return. If you elect an amount that is more than the contribution limit, Portico will reduce your election to the IRS maximum annual contribution amount. In addition, your annual election cannot be more than your (and your spouse's) taxable earned income.

## Contributing to Your Account

After you've enrolled in the Dependent Care FSA, Portico divides your annual election amount into contributions based on payroll frequency and bills your sponsoring employer monthly for your contribution. Your employer withholds your Dependent Care FSA contributions from each paycheck before calculating federal income taxes (and state income taxes, in most states) and submits your contribution to Portico monthly. Portico reports the amount to the claims administrator, Further, and the contribution is credited to your Dependent Care FSA.

## Accessing the Money in Your Account

You only have access to the current balance in your Dependent Care FSA. If you file a claim for more than the current balance, it will automatically be paid when there is enough money in your Dependent Care FSA.

NOTE: You cannot use money in the Dependent Care FSA to pay for health expenses allowed under the Health FSA or vice versa. Money cannot be comingled or transferred between FSAs or other tax-advantaged accounts.

## Deadlines

**Incur Expenses by Dec. 31, 2022** — For the 2022 Plan Year, the deadline for incurring expenses to be reimbursed from your Dependent Care FSA is Dec. 31, 2022.

**“Use It or Lose It” Rule** — In accordance with IRS regulations, you forfeit any balance that remains in your Dependent Care FSA that is not claimed for 2022 eligible expenses by April 30, 2023. In this situation, your account balance is reduced to zero and any unclaimed money becomes the property of the Plan. Forfeited amounts are used to offset the Plan’s administrative costs.

Following the death of a Member, any balance in the deceased Member’s Dependent Care FSA that is not claimed for 2022 eligible expenses by June 30, 2023 will be forfeited. The eligible expenses must have been incurred on or before the Member’s date of death.

## Claims

When you incur a dependent care expense that is eligible for reimbursement from your Dependent Care FSA, you can be reimbursed from your Dependent Care FSA by submitting a claim through Further’s website. It is not necessary for you to have paid an amount due for eligible dependent care expenses, only to have incurred it.

In most cases, Further processes your claim within 14 days of receiving your request. You’ll receive a check mailed to you unless you sign up for direct deposit to a checking or savings account. If your claim is denied because the information is incomplete, you have 180 days from the date of denial or until the end of the Plan Year (whichever is later) to give Further the necessary information. If you do not submit the information within 180 days or by the end of the Plan Year (whichever is later), your claim is void, and therefore not reimbursable.

NOTE: For income tax reporting, you are responsible for keeping records that show the distributions were to reimburse eligible dependent care expenses.

## Changing Your Annual Election

Your annual Dependent Care FSA election remains in effect for the Plan Year unless you experience a Qualifying Election Change Event and change your election within 60 days of the event. Your new Dependent Care FSA election:

- Must be consistent with the qualifying event (see table below)
- Cannot be decreased to less than the amount you have already received from, or contributed to, your Dependent Care FSA for the Plan Year
- Is effective the first day of the month after Portico receives and approves your change request

The following table outlines the Qualifying Election Change Events and what changes you are permitted when you experience one of these events.

<b>Qualifying Election Change Events for a Dependent Care FSA</b>		
<b>Qualifying Event</b>	<b>Allows You to Start or Increase Annual Election?</b>	<b>Allows You to Stop or Decrease Annual Election?</b>
<b>Family status changes</b>		
Marriage	Yes, if your dependent care expenses increase because of it	Yes, if your dependent care expenses decrease because of it
New dependent (birth, adoption, placement for adoption, grandchild, stepchild, ward, a tax dependent mentally or physically capable of self-care)	Yes, if your dependent care expenses increase because of it	Yes, if your dependent care expenses decrease because of it (for example, spouse becomes a stay-at-home parent)
Dependent loses eligibility due to age	No	Yes
Divorce, legal separation, or annulment	Yes, if your dependent care expenses increase because of it	Yes, if your dependent care expenses decrease because of it
A legal judgment, decree, or order (a qualified medical child support order) resulting from a divorce, legal separation, annulment, or change in legal custody	No	No
Death of a spouse	Yes, if your dependent care expenses increase because of it	Yes, if your dependent care expenses decrease because of it
Death of a child	No	Yes
Beginning a leave of absence provided under the Family and Medical Leave Act (FMLA) of 1993 or unpaid leave	No	Yes, if your dependent care expenses increase because of it
You or your spouse return from a leave of absence provided under FMLA or unpaid leave	Yes, if your dependent care expenses increase because of it	No
You or your eligible dependent has a change in residence	Yes, if your dependent care expenses increase because of the move	Yes, if your dependent care expenses decrease because of the move

Qualifying Event	Allows You to Start or Increase Annual Election?	Allows You to Stop or Decrease Annual Election?
<b>Employment changes</b>		
You or your spouse starts employment or increases work hours	Yes	No
You or your spouse ends employment or decreases work hours	No	Yes
You or your spouse changes job location	Yes	Yes
<b>Dependent care changes</b>		
Change in day care provider arrangement	Yes	Yes
Increase in day care expenses, if the provider is not related to you	Yes	No
Decrease in day care expenses, if the provider is not related to you	No	Yes
Change in your spouse's dependent care FSA election under his or her employer's plan	Yes	Yes



# Health Savings Account (HSA)

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The health savings account (HSA) is a tax-advantaged savings account that is paired with a *High Deductible Health Plan* (see [Glossary](#)). Money in your HSA can help pay or reimburse you for eligible health care expenses you and your eligible family members incur. An HSA allows you to contribute to a tax-advantaged account by entering into a salary reduction agreement with your employer to withhold pretax dollars from your pay before federal income taxes (and state income taxes, in most states) are calculated.

Unlike the health flexible spending account (Health FSA), your employer can contribute to your HSA. Also different than an FSA, money in an HSA earns interest, is portable, can build from year to year, can be invested if your balance is \$1,000 or greater, and remains yours regardless of employment. The HSA is administered by Further<sup>SM</sup>.

HSA contributions can include:

- Pretax dollars withheld from your pay
- Money contributed by your sponsoring employer
- Money transferred from other HSAs
- After-tax contributions sent directly to Further

## Eligibility

You're eligible to enroll in an HSA if you have the ELCA-Primary Silver+ or Bronze+ health benefit option and you:

- Are under age 65 on April 1, 2022, or
- Are age 65 or older on April 1, 2022 and have elected not to enroll in Medicare.

You are **not** eligible to enroll in an HSA through Portico if you:

- Have the ELCA-Primary Platinum+ or Gold+ health benefit option
- Waive ELCA health benefits
- Have Aetna International health benefits
- Are age 65 or older on April 1, 2022 and are enrolled in Medicare
- Are covered by a non-high deductible health plan, such as a spouse's health plan or health FSA, unless it is a limited-purpose health FSA. Note: If your spouse is enrolled in a non-high deductible health plan, you may be eligible for an HSA as long as you are not covered by that plan.
- Enroll after Annual Enrollment and will be age 65 or older within three months of enrollment, unless you elect not to enroll in Medicare
- Are claimed as a dependent on another person's tax return

A change in your life, call, or employment can affect your benefits. Find details by visiting [myPortico](#).

If your employer elects to offer you the ELCA-Primary Silver+ or Bronze + health benefit option and you choose to buy up to the ELCA-Primary Platinum+ or Gold+ health benefit option, you are not eligible for an HSA.

## If You're Enrolled in a Health Flexible Spending Account

The IRS does not allow Members to have an HSA and contribute to a health FSA at the same time unless the health FSA is a limited-purpose health FSA.

## Eligible Expenses

An eligible health care expense is any item that you could have claimed a health care expense deduction on an itemized federal income tax return but you haven't claimed a tax deduction or been reimbursed from insurance or some other source.

You may claim eligible health care expenses for yourself, your spouse, and family members who are your tax dependents. Most out-of-pocket health care expenses are eligible under the HSA when they are incurred by you, your spouse, and your tax dependents. HSA eligible expenses also include certain health insurance premiums.

Examples of HSA-eligible expenses include:

- Medical, mental health, and prescription drug (non-cosmetic) deductibles, copayments, and coinsurance
- Unreimbursed dental expenses (non-cosmetic)
- Unreimbursed orthodontia expenses
- Unreimbursed chiropractic treatment
- Prescription eyeglasses, prescription sunglasses, and contact lenses
- Surgery to correct your vision (such as Lasik)
- Hearing aids
- Over-the-counter medications
- Health care premiums for coverage continuation
- Health care premiums while receiving unemployment
- Medicare Part B and Part D premiums, however, not Medicare supplement premium amounts
- Certain long-term care insurance premiums

Examples of expenses that **do not** qualify include:

- Cosmetic procedures
- Expenses for which you claimed an income tax deduction
- Expenses reimbursed from insurance or some other source

A list of eligible HSA expenses is available on the *Health Savings Account* page on myPortico. If you have questions about an item's eligibility, contact Further, consult your tax adviser, or read *IRS Publication 502, Medical and Dental Expenses* at [www.irs.gov](http://www.irs.gov).

You are responsible for substantiating whether a withdrawal from your HSA is for eligible health care expenses. If you pay or are reimbursed from your HSA for expenses that aren't eligible, the amount will be subject to income tax and may be subject to an additional 20% penalty tax.

NOTE: According to IRS regulations, if you are enrolled in an HSA, any balance you may have remaining in your personal wellness account from a previous year can only be used for vision (glasses, contact lenses, etc.), dental, and post-deductible health care expenses.

## Enrollment

If you meet the eligibility criteria, Portico automatically enrolls you in an HSA.

## Contributing to Your Account

The money deposited into your HSA includes the contributions you elect to make and contributions your employer elects to make. HSA contributions remain in your account until you use them. You do not need to spend the balance in your account before the end of the Plan Year or before you terminate employment.

## You Can Contribute

To start, change, or stop HSA contributions, Members should go to *myPortico > Health Benefits > Tax-Advantaged Accounts*.

- **If you are sponsored** — Your employer withholds your HSA contributions from your pay before calculating taxes and submits the contributions to Portico. Portico sends your contributions to the claims administrator, Further, for deposit to your HSA. Your contributions are then available for you to use.
- **If you are continuing ELCA health coverage** — Portico bills you monthly for your health benefit and HSA contributions. You send your after-tax HSA contributions to Portico and Portico sends your contributions to the claims administrator, Further, for deposit to your HSA.

NOTE: You can also make 2022 after-tax HSA contributions until the 2022 federal tax filing deadline and claim the contributions as an above-the-line income deduction on your 2022 income tax returns. Contact Further to make an after-tax HSA contribution.

NOTE: You cannot make a pretax HSA contribution that is more than your taxable earned income.

## Your Employer Can Contribute

If your employer selects the ELCA-Primary Silver+ or Bronze+ health benefit option, it also chooses one of the following HSA funding levels.

	Annual Employer Contribution If You Have Single Coverage	Annual Employer Contribution If You Have Family* Coverage
Level A	\$900	\$1,800
Level B	\$600	\$1,200
Level C	\$0	\$0

\*Family coverage means that you and one or more family members have ELCA-Primary health benefits.

Portico bills your employer monthly for its HSA contributions and your employer submits its contributions to Portico. Portico sends the contributions to the claims administrator, Further, and Further deposits the contributions into your HSA. Your employer's contributions are then available for you to use.

Employers can also make a one-time HSA contribution to a Member's HSA. An employer can elect this one-time contribution during Annual Enrollment for Members who are sponsored on Jan. 1, 2022.

## Annual Contribution Limit

The IRS determines maximum annual contribution limits for tax-advantaged accounts. The 2022 annual HSA contribution limits are:

- \$3,650 if you have single ELCA Silver+ or Bronze+ health coverage
- \$7,300 if you have family ELCA Silver+ or Bronze+ health coverage
- \$1,000 additional catch-up contribution allowed if you are age 55 or older by Dec. 31, 2022

Annual contribution limits apply to the sum of your contributions and your employer's contributions. If the sum of your employer's contribution and your contribution election results in a contribution amount that exceeds the annual contribution limit, Portico will reduce your contribution election to the maximum annual amount allowed.

EXAMPLE: Your maximum 2022 contribution is calculated as follows if you have family coverage, are younger than age 55 and receive employer contributions at Level A.

IRS limit	\$7,300
<u>Employer contributions</u>	<u>- \$1,800</u>
2022 maximum Member contributions allowed	\$5,500

If you enroll in an HSA after Jan. 1, your annual contribution limit is prorated to one-twelfth of the limit for each month that you are eligible for the HSA. Also, your annual contribution limit is prorated after certain life events. If the combination of your contributions and your employer's contributions exceeds the pro-rata contribution limit, you can withdraw any excess contributions from your HSA by contacting Further prior to the date you file your tax return.

NOTE: The IRS Last Month Rule provides that if you enroll in the ELCA-Primary Silver+ or Bronze+ health benefit option mid-2022 and you have the high deductible health coverage on Dec. 1, 2022, you may contribute the full 2022 contribution maximum instead of the pro-rated contribution amount. However, if you fail to remain eligible for the HSA during the period of Dec. 1, 2022 through Dec. 31, 2023 for reasons other than death or disability, you will have to include in income the total contributions that were permitted due to your eligibility on Dec. 1, 2022. Contact Further to learn more about proration and contribution amounts.

As long as you continue to have the ELCA-Primary Silver+ or Bronze+ health benefit option, you can adjust your HSA contribution during the year, including if you move from single to family coverage or from family to single coverage.

- **If you move from single to family coverage** — You may contribute more. You can make a prorated contribution based on when you change coverage, or you can make the entire annual maximum contribution as long as the coverage is maintained from Dec. 1, 2022 through Dec. 31, 2023.

EXAMPLE: If you get married June 15, 2022, change from single to family coverage, and want to contribute the maximum HSA contribution allowed for families in 2022, you must keep family ELCA-Primary Silver+ or Bronze+ health benefits through Dec. 31, 2023.

- **If you move from family to single coverage** — You may need to decrease contributions to avoid exceeding the maximum annual contribution limit. The annual single contribution limit

applies for any months in which you had single coverage on the first day of the month.

## Accessing the Money in Your Account

You only have access to the current balance in your HSA. If your claim is for more than the current balance in your HSA and you file the claim with Further, it will automatically be paid when there is enough money in your account.

For income tax reporting, you are responsible for keeping records that show the distributions were to pay or reimburse eligible medical expenses. If you pay or are reimbursed from your HSA for expenses that aren't eligible, the amount will be subject to income tax and may be subject to an additional 20% penalty tax.

## Deadline

Eligible expenses must be incurred after the effective date of your HSA. An expense is incurred when the service is provided, not the date it's paid or billed. There is no deadline for requesting a withdrawal from your HSA.

## Debit Card

If you have a balance in your HSA, you can use your Further debit card to pay for eligible expenses. This "smart" debit card accesses all funds that are currently available. For example, if you're enrolled in the Limited-Purpose Health FSA, eligible expenses will be reimbursed from your Limited-Purpose Health FSA before your HSA because FSA dollars are "use it or lose it," and your HSA balance rolls forward if unused.

You can use your debit card to pay for purchases like prescription drugs and vision services, or you can allow a medical, mental health, or dental claim to process, then use your debit card as you would a credit card to pay for the claim when billed.

## Withdrawals

If you do not use your debit card to purchase a health care service or supply, you can get reimbursed for eligible expenses. Request payment or download a claim form on Further's website. In most cases, Further processes your withdrawal within 14 days of receiving your request. You'll receive a paper check mailed to you unless you sign up for direct deposit to a checking or savings account.

## Earning Interest in Your HSA

The money in your HSA can earn interest and grow tax-free. Each month, Further credits interest based on the average daily balance in your HSA. This account crediting rate is subject to change based on market conditions. Further reserves the right to declare a different rate of interest at any time. You can learn more about how interest is credited to your HSA by visiting Further's website.

# Limited-Purpose Health Flexible Spending Account (Limited-Purpose Health FSA)

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Members with a health savings account (HSA) are prohibited by the IRS from having a full-purpose health flexible spending account. They are, however, allowed to have a limited-purpose health FSA. The ELCA limited-purpose health FSA (Limited-Purpose Health FSA) allows you to contribute to a tax-advantaged account by entering into a salary reduction agreement with your employer to withhold pretax dollars from your pay before federal income taxes (and state income taxes, in most states) are calculated.

You will be reimbursed with pretax dollars for eligible **dental** and **vision** expenses (plus other health care out-of-pocket expenses incurred **after** meeting the ELCA Medical and Dental Benefits Plan deductible) incurred by you and your eligible family members. The Limited-Purpose Health FSA is administered by Further<sup>SM</sup>.

When you enroll in the Limited-Purpose Health FSA, you have access to the full amount of your annual election starting Jan. 1 or the first day of the month following enrollment if you are newly eligible after Jan. 1, even though contributions are withheld from your pay throughout the Plan Year.

The reimbursed expenses from your Limited-Purpose Health FSA cannot be claimed or reimbursed through any health insurance plan, nor can you use them to claim a federal income tax deduction for health care expenses. Consult your tax adviser for help determining the best option to claim health care expenses for you and your family.

## Eligibility

You are eligible to enroll in the Limited-Purpose Health FSA if you are a Sponsored Member who is:

- Enrolled in the ELCA-Primary Silver+ or Bronze+ health benefit option, **and**
- Enrolled in an HSA under this Plan

You are **not** eligible to enroll in the Limited-Purpose Health FSA if you:

- Are a self-sponsored Member (the IRS doesn't allow self-employed individual to have an FSA)
- Are a Member with coverage continuation, including Members who are retired
- Have the ELCA-Primary Platinum+ or Gold+ health benefit option
- Waive ELCA health benefits
- Are not enrolled in an HSA
- Have Aetna International health benefits
- Are age 65 or older on April 1, 2022, or enroll after Annual Enrollment and will be 65 years of age or older within three months of your enrollment and are not enrolled in an HSA
- Are covered by a non-high deductible health plan, such as a spouse's health plan or health FSA, unless it's a limited-purpose health FSA
- Are claimed as a dependent on another person's tax return



## Eligible Expenses

An eligible expense for the Limited-Purpose Health FSA is any dental, vision, or post-deductible medical, mental health, or prescription drug expense incurred by you and your spouse, tax dependents, or adult children through the end of the month in which they turn age 26 (even if not your tax dependent) for which you could have claimed a health care expense deduction on an itemized federal income tax return and for which you haven't claimed a tax deduction or otherwise been reimbursed from insurance or some other source.

Examples of eligible expenses:

- Dental:
  - Orthodontia
  - Crowns
  - Fillings
  - X-rays
- Vision:
  - Surgery to correct your vision (such as Lasik)
  - Contact lenses
  - Prescription eyeglasses or sunglasses
- Other expenses after the ELCA Medical and Dental Benefits Plan deductible for medical, mental health and prescription drug benefits is met:
  - Coinsurance amounts
  - Hearing aids
  - Over-the-counter medications

A list of eligible Limited-Purpose Health FSA expenses is available on the *Health Flexible Spending Account* page on myPortico. If you have questions about an item's eligibility, contact Further, consult your tax adviser, or read *IRS Publication 502, Medical and Dental Expenses* at [www.irs.gov](http://www.irs.gov).

The following types of health care expenses **do not** qualify for reimbursement:

- Expenses for services, treatment, or supplies that are not dental, vision, or post-deductible expenses
- Medical, mental health, and prescription drug expenses that apply to the deductible
- Health insurance coverage costs (contributions, buy-up costs, or premiums) for you or your eligible family members
- Cosmetic procedures
- Expenses claimed as an income tax deduction on your tax returns
- Expenses reimbursed through any insurance

A change in your life, call, or employment can affect your benefits. Find details by visiting [myPortico](http://myPortico).

The expense must be incurred during the Plan Year, beginning the first day in which you're enrolled in the Plan. A health care expense is incurred when the care is provided, not the date it's billed.

## Enrollment

To participate, you must enroll and make an annual election during the required period:

- If you are eligible for Annual Enrollment, you must enroll during the Annual Enrollment period. Your Limited-Purpose Health FSA begins Jan. 1, 2022.
- If you are a new employee hired after Jan. 1, 2022, you must enroll within 60 days of becoming eligible. Your Limited-Purpose Health FSA begins the first day of the month following enrollment.

If you do not enroll during the required period, you cannot have a Limited-Purpose Health FSA during the Plan Year, unless you experience a Qualifying Election Change Event and enroll within 60 days of the event.

## Determining Your Annual Election

When you enroll, you indicate the total annual amount you wish to contribute during the Plan Year. Your annual Limited-Purpose Health FSA election remains in effect through the end of the Plan Year unless you change your election due to a Qualifying Election Change Event.

Your annual election cannot be more than your (and your spouse's) taxable earned income. For example, if you are a pastor and claim all your income as housing allowance, you have no taxable earned income to contribute to a Limited-Purpose Health FSA.

## Annual Contribution Limit

The IRS determines maximum annual contribution limits for tax-advantaged accounts. The 2022 annual Health FSA contribution annual limit \$2,850 per person. If you elect an amount that exceeds the contribution limit, Portico will reduce your election to the maximum annual contribution amount.

## Contributing to Your Account

After you've enrolled in the Limited-Purpose Health FSA, Portico divides your annual election amount into contributions based on payroll frequency and bills your sponsoring employer monthly for your contribution. Your employer withholds your Limited-Purpose Health FSA contribution from each paycheck before calculating federal income taxes (and state income taxes, in most states) and submits your contributions to Portico monthly. Portico reports the amount to Further, and the contribution is credited to your Limited-Purpose Health FSA administered by Further.

If you enroll during Annual Enrollment, Portico credits your annual election amount to your Limited-Purpose Health FSA on Jan. 1. If you enroll after Annual Enrollment, Portico credits your annual election amount on the first day of the month following enrollment, which is the date your Limited-Purpose Health FSA begins.

## Accessing the Money in Your Account

Even though contributions are withheld from your pay throughout the Plan Year, you have access to your full annual election amount on Jan. 1 or the date your Limited-Purpose Health FSA begins if you enroll after Annual Enrollment. This means you can use the full amount of your Limited-Purpose Health FSA for eligible expenses incurred during the Plan Year even if the money hasn't yet been deducted from your pay.



NOTE: You cannot use money from the Limited-Purpose Health FSA to pay for expenses allowed under the Dependent Care FSA or vice versa. Money cannot be comingled or transferred between tax-advantaged accounts.

## Deadlines

**Incur Expenses by Dec. 31, 2022** — You can incur eligible expenses through Dec. 31, 2022. An expense is incurred when the service is provided, not the date it's billed. It is not necessary to have paid an amount due for eligible expenses, only to have incurred it through Dec. 31, 2022.

**“Use It or Lose It” Rule** — In accordance with federal tax regulations, you forfeit any balance that remains in your Limited-Purpose Health FSA at the end of the Plan Year and which is not claimed by April 30, 2023, or within four months after you terminate employment, whichever is earlier. In this situation, your account balance is reduced to zero and any unclaimed money becomes the property of the Plan. Forfeited amounts are used to offset the Plan's administrative costs.

Following the death of a Member, any balance in the deceased Member's Limited-Purpose Health FSA that is not claimed for 2022 eligible expenses by June 30, 2023, or within six months after the date of death, whichever is earlier, will be forfeited.

## Debit Card

You can use your Further debit card to pay for eligible expenses or you can allow a medical or dental claim to process and then use your debit card just as you would a credit card to pay the claim.

## Claims

You may get reimbursed by submitting a claim on Further's website or mailing a paper claim to Further. In most cases, Further processes your claim within 14 days of receiving your request. You'll receive a check mailed to you by Further unless you sign up for direct deposit to a checking or savings account. If your claim is denied because the information is incomplete, you have 180 days from the date of denial or until the end of the Plan Year (whichever is later) to give Further the necessary information. If you do not submit the information within 180 days or by the end of the Plan Year (whichever is later), your claim is void, and therefore not reimbursable.

NOTE: For income tax reporting, you are responsible for keeping records that show the distributions were to pay or reimburse eligible medical expenses.

## Changing Your Annual Election

Your annual Limited-Purpose Health FSA election remains in effect for the Plan Year unless you experience a Qualifying Election Change Event and change your election within 60 days of the event. See the chart starting on [page 10](#) that outlines Health FSA Qualifying Election Change Events and what changes you are allowed to make if you experience one of these events.

If you are eligible to change your election:

- Your new Limited-Purpose Health FSA election must be consistent with the Qualifying Election Change Event that occurred.
- You cannot decrease your election to less than the amount you have already received from, or contributed to, your Limited-Purpose Health FSA for the Plan Year.
- Your new election is effective the first day of the month after Portico approves your change request.

# Miscellaneous Provisions and Disclosures

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## **Right to Revoke Election**

Portico has the right to revoke your election or contribution if the money withheld from your pay is not sent to Portico in a timely manner. This revocation may be effective the first day of any period for which you or your employer fails to pay as billed by Portico. Only expenses incurred prior to the revocation date are eligible for reimbursement or withdrawal. Portico may revoke your election or contribution if misuse or fraudulent use of the Plan is discovered.

# Appeals Procedure

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## Initial Steps

The claims administrator, Further<sup>SM</sup>, is responsible for processing claims according to the terms of the ELCA Flexible Benefits Plan and IRS guidelines. If a purchase or reimbursement request under this Plan is denied or you fail to receive the benefit you expected, contact Further. If this does not resolve your issue and you aren't satisfied with the determination, you must follow Further's appeals process. If your concern is not resolved by following the steps above, you must file a written appeal with the president of Portico within 180 days of your receipt of any adverse determination. Include the facts of your case, any new or additional information not considered in the initial decision, and the outcome you desire.

## Presidential Appeal

Portico's president will review your claim with the advice and counsel of the internal appeals committee, which consists of at least three staff members who were not involved with the initial decision. The president will respond in writing within 30 days of receipt of your appeal and signed authorization for disclosure of protected health information unless the president notifies an additional 30 days is needed.

Portico's president can approve an appeal only if it is determined that an error was made in the initial benefit determination, or the appeal involves matters relating to Plan interpretation. In the case of changing circumstances, the president can recommend an expansion of benefit coverage requiring a Plan amendment, which may or may not be retroactive. All Plan amendments must be approved by the president, the Portico board of trustees, and/or the ELCA Church Council.

## Appeals Committee

If you are dissatisfied with the decision of the president, you must file an appeal with the appeals committee of the Portico Board of Trustees within 60 days of your receipt of the president's written response. The appeals committee will consist of five to seven members of the board of trustees, at least one of whom must be a participant in the ELCA Traditional Benefits Program. Additionally, the committee may include independent consultants with expertise in the area of the appeal, to serve with voice but not vote. The appeals committee will schedule a meeting within 30 days of receiving your appeal and signed authorization for disclosure of protected health information. The final decision of the appeals committee will be forwarded to you within 60 days of receipt of the appeal. All decisions of the appeals committee are final.

## Court System

In the event you have exhausted the previously described appeals procedures and are dissatisfied with the final decision of the Portico appeals committee, you must initiate legal action in the Minnesota Fourth Judicial District Court, Hennepin County. Any removal of such action must be to the United States Court for the District of Minnesota. Legal action cannot be taken more than three years after the date of the event on which the claim is based.

## Limitation of Liability

Portico is not liable for the failure of any employer to enroll its employee as a Sponsored Member in the Plan or for the failure of any employer to make contributions to the Plan on the employee's behalf. Also, Portico is not liable to any Member or other person or entity for any of its acts.

## Obligations of a Sponsored Member

As a Sponsored Member of the ELCA Traditional Benefits Program, you agree to comply with all the Portico requirements regarding enrollment and administration of the Plan. This includes, but is not limited to, providing your date of birth, disability status, family support obligations, marital status, and Social Security number.

If you do not comply with reasonable requirements or knowingly provide false, inaccurate, or misleading information to Portico, you must reimburse Portico for reasonable expenses and damages incurred as the result of such failure. This includes, but is not limited to, the amount incurred by staff in discovering, correcting, or adjusting for such a failure. Portico may charge your future benefit payments under the ELCA Traditional Benefits Program, if any, for any additional expense.

## Correction of Errors

It's recognized that in the operation and administration of the ELCA Flexible Benefits Plan, certain mathematical and accounting errors may be made or mistakes may arise for various reasons, including factual errors in information supplied to Further or Portico. Portico has the power to make equitable adjustments to correct such errors as Portico, in its sole discretion, considers appropriate. These adjustments are final and binding on all persons.

## Plan Information

Portico (and its designee or claims administrator, as applicable) shall have the power, including, without limitation, discretionary power to make all determinations that the Plan requires for its administration, and to construe and interpret the Plan for purposes of determining eligibility and benefits. Portico's plans are not subject to the Employee Retirement Income Security Act (ERISA).

## Amendment to the Plan

The ELCA Churchwide Assembly, the ELCA Church Council, or Portico can propose amendments to the Plan. All proposed amendments must be submitted to Portico for recommendation before final action is taken by the ELCA Church Council. No amendment will reduce entitlement under the ELCA Flexible Benefits Plan for expenses incurred prior to the effective date of the amendment.

## Termination of the Plan

If Portico terminates the Plan or a participating employer terminates its participation in the Plan, a Member's account balance as of the date of the termination will continue to be applied as provided by the Plan. No contributions will be made to Members' accounts following the date of termination.

## Tax Consequences

It's your responsibility to ensure that your employer is deducting your contributions for this Plan prior to calculating your federal taxes, and state and local taxes where applicable. If you receive a benefit or payment under this Plan that you weren't eligible to receive, contact Further about repaying the overpayment. If you do not repay the overpayment and the amount is determined to be taxable, you must report the amount as taxable income. Portico and Further accept no liability for any damages or losses, including additional taxes.

You cannot claim an income tax deduction or credit for expenses reimbursed from your Health FSA, Dependent Care FSA, Limited-Purpose Health FSA, or HSA. Because FSA and HSA contributions aren't taxable income, you pay less in Social Security taxes, which may reduce the amount of Social Security benefits you receive in retirement.

## **No Tax Advice**

Neither Portico nor Further provides tax advice. We provide Members with certain information of general application in order to help them understand the way in which we administer our plans. For tax questions or advice specific to you, you should consult your own tax or legal adviser.

## **No Guarantee of Tax Consequences**

Portico makes no commitment or guarantee that any amounts paid to or for the benefit of a Member under this Plan will be excludable from the Member's gross income for federal, state, or local income tax purposes. It's the Member's responsibility to determine whether each payment is excludable from her or his gross income for income tax purposes. It's also the Member's responsibility to notify Further if the Member has any reason to believe a payment is not excludable for income tax purposes.

# HIPAA Privacy Compliance

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The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires health plans, including the Health FSA under this ELCA Flexible Benefits Plan, to protect the confidentiality and privacy of Protected Health Information (PHI). PHI is personally identifiable information created, received or transmitted by a health care organization related to a past, present or future physical or mental health condition, treatment or claim.

## Required Uses and Disclosure of Protected Health Information

The claims administrator may disclose PHI to Portico for disclosures and administrative functions that include:

- Disclosure to the Secretary of Health and Human Services, when required for an investigation or determination of the Plan's compliance with HIPAA
- Disclosure to a Member when requested by the Member
- Disclosure to a Member's Personal Representative when requested by the Personal Representative
- As required by law

## Permitted Uses and Disclosures of Protected Health Information

The PHI received or created by the claims administrator may be disclosed to Portico for purpose of administrative functions that Portico performs for the Plan, including the following:

- Determining enrollment, eligibility, premiums and contributions, reimbursements, claims management, appeals, subrogation, collection activities and utilization reviews
- Quality assessments and improvement, advocacy, data analysis, underwriting, contracts, legal services, audits, compliance, management, and administration
- Advocacy and assistance to Members
- Benefits appeals and complaints
- Subpoenas and other court orders
- As permitted by law

## Requirements of Portico in Using PHI

In accordance with the requirements of HIPAA, Portico certifies that it will:

- Not use or disclose PHI except as permitted by the Plan, and for employment-related actions or decisions, or in connection with any other employee benefit plan or benefit provided by Portico
- Ensure that any agent/subcontractor who receives PHI from Portico agrees to the same restrictions and conditions for the PHI as Portico has under HIPAA
- Ensure that limited access to PHI is supported by security measures
- Report security incident of PHI
- Provide the Member, upon the Member's written request, with the Member's PHI and an accounting of the disclosures of PHI
- Incorporate amendments of Member PHI
- Make its internal practices, books and records relating to the use and disclosure of PHI available to the Secretary of Health and Human Services
- If feasible, return or destroy all PHI that it no longer needs to retain
- Implement and maintain administrative, physical and technical safeguards

# Glossary

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## Eligible Dependent

A person who qualifies as a dependent of the Member under the relevant provision of the Internal Revenue Code (IRC). The requirements that must be met for a person to qualify as the Member's dependent differ depending on the type of account.

- **Health FSA** — see *IRC §105 and IRC §106*
- **Dependent Care FSA** — see *IRC § 21 and IRC §129*
- **HSA** — see *IRC § 223*

## High Deductible Health Plan (HDHP)

Health coverage that meets specific IRS regulations for deductible and out-of-pocket expenses. The ELCA-Primary Silver+ and Bronze+ health benefit options qualify as HDHPs. Only Members who are covered by an HDHP can contribute to a Health Savings Plan (HSA).

## Personal Wellness Account

A health reimbursement arrangement in which eligible ELCA Medical and Dental Benefits Plan Members and spouses earned wellness dollars through 2020 to pay for eligible health care expenses, in accordance with the ELCA Medical and Dental Benefits Plan.

## Plan Year

The 2022 Plan Year for the ELCA Flexible Benefits Plan is January 1 through December 31, 2022.

## Separate from Service

A separation from service occurs when a Member:

- Is not on the ELCA roster and is no longer serving in a participating congregation or organization due to resignation, discharge, retirement or death; or
- Is on the ELCA roster and is retired or removed from the roster and no longer employed.

A Member who is on the ELCA roster and on leave from call is not considered separated from service.

## Tax-Advantaged Account

A financial account that allows the owner to receive special treatment by federal and most state tax laws for the purpose of tax savings. Contribution and withdrawal rules vary by the type of account. The ELCA Traditional Benefits Program offers the following tax-advantaged accounts: personal wellness account (health reimbursement arrangement), health flexible spending account (Health FSA), health savings account (HSA), and dependent (day) care flexible spending account (Dependent Care FSA), and limited-purpose health flexible spending account (Limited-Purpose Health FSA).

## Wellness Dollars

Financial incentives earned prior to 2021 for completing wellness activities. Wellness dollars were credited to either personal wellness accounts or deposited in health savings accounts (HSA). Effective Jan. 1, 2021, wellness dollars can no longer be earned.



# Contact Information

<p><b>Further<sup>SM</sup> Claims Administrator</b></p> <p><b>Tax-Advantaged Accounts</b> Go to the website or call Further with any questions regarding claims, account balance, accessing claim forms, or to order new debit cards. Tip: To access the Further website easily, sign into <a href="http://myPortico.PorticoBenefits.org">myPortico.PorticoBenefits.org</a> and link to the Further website.</p> <p>The website also provides access to tools, calculators, videos and tips about your Further HSA or FSA tax-advantaged accounts.</p>	<p>Website <a href="http://hellofurther.com">hellofurther.com</a></p> <p>Phone <b>800.859.2144</b> Fax F 866.231.0214</p> <p>Hours 7 a.m. – 8 p.m. (Central) Monday – Friday</p> <p>Claims Address Further P.O. Box 64193 St. Paul, MN 55164-0193</p>
<p><b>Portico Benefit Services Customer Care Center</b></p> <p>Call, check the website, or email with questions about your eligibility or contribution rates, or if you have a change of family status, address, or coverage.</p>	<p>Website <a href="http://myPortico.PorticoBenefits.org">myPortico.PorticoBenefits.org</a></p> <p>Phone <b>800.352.2876</b> Fax F 612.334.5399</p> <p>Email <a href="mailto:mail@PorticoBenefits.org">mail@PorticoBenefits.org</a></p> <p>Mailing Address Portico Benefit Services 7700 France Ave. S., Ste 350 Minneapolis, MN 55435-2802</p>
<p><b>Portico Benefit Services Privacy Contact</b></p> <p>Call or email for information about the Plan's HIPAA privacy practice, to exercise your rights, or to complain about how the Plan is handling your protected health information.</p>	<p>Phone <b>800.352.2876</b> or <b>612.333.7651, ext. 4420</b></p> <p>Email <a href="mailto:privacycontact@PorticoBenefits.org">privacycontact@PorticoBenefits.org</a></p> <p>Mailing Address Portico Benefit Services Attn: Privacy Contact 7700 France Ave. S., Ste 350 Minneapolis, MN 55435-2802</p>





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