



FSA & HRA¹ Debit Card Purchase Substantiation

Day 1

Debit Card Transaction



If your debit card transaction does not meet auto substantiation criteria, BASIC will request documentation to verify the charge. You **DO NOT** need to submit documentation unless BASIC requests it.

Common Auto Substantiation Criteria that does not require substantiation:

- Rx purchases at IAS compliant merchants[^]
- Co-pay amounts matching the sponsoring Employers health plan co-pays

[^]For a listing of IAS Merchants & 90% Merchants please visit www.sig-is.org.

Auto Substantiation?



Yes

Nothing needs to be submitted to BASIC

- Retain your documentation in case it is requested by the IRS

No

BASIC Requests Documentation

- Day 2: 1st request (emailed or mailed)
- Day 22: 2nd reminder (via email only, if available)
- Day 45: 3rd and final reminder (emailed or mailed)

BASIC may send a Debit Card Verification Request for:

- All Purchases at 90% Pharmacies[^]
- All Dental & Vision Purchases not matching the sponsoring Employers co-pays
- Any Medical Purchases not matching the sponsoring Employers health plan co-pays

Note: Documentation must include the following information:

- Provider name, detailed description of the service provided, Date of service & Charge amount
- Credit card receipts do not include all necessary information needed to approve the transaction

Day 60*

BASIC Deactivates Debit Card

- The Debit Card is temporarily inactivated until the documentation is submitted or the amount of the transaction is refunded to the plan
- Failure to submit documentation or refund the transaction could result in your employer collecting the funds.

Once the documentation is submitted or the amount is refunded to the plan, nothing more is required and the debit card will be reactivated unless additional transactions are outstanding.

* The date the merchant/provider releases the transaction for payment may not be the same day the card was swiped. The information above is based on the date the transaction is released by the merchant/provider.



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Example

Monday: Jane uses her BASIC Debit Card at a Medical Office for \$29.00, which includes a \$20.00 Co-pay and \$9.00 prior balance.

Wednesday: BASIC sends Jane notification via e-mail that documentation is required for the \$29.00 charge.

Thursday: Jane faxes BASIC a copy of the notification received from BASIC and an itemized statement for the \$29.00 transaction. This statement includes a service provided, date of service, provider name and charge amount.

Friday²: Jane receives notification via e-mail that her transaction is approved and no further documentation is required.³

¹HRA processing time may be different based on plan design, specifically plans that track individual expenses.

²During peak periods of higher claim volume, the process above may take additional business days.

³Approval notification is only sent if an email address is on file.

*For questions please contact BASIC
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