

FSA Debit Card: Why Was My Card Declined?

If your FSA debit card was declined at the point-of-sale, the transaction amount may be greater than your remaining balance, or the card has been suspended due to an unsubstantiated transaction that is 40 or more days old. When a card transaction cannot be automatically substantiated, GDI sends a notification to you via email, text or postal mail requesting a copy of your receipt for the transaction. If you do not respond to the request for information, your card will be deactivated. We recommend that you either:

- Log into the Participant Portal at www.gdynamic.com/portal and visit the Message Center. Your card notifications are located in date order. Open and read the most current notification for specific information and instructions; or
- Call GDI's Reimbursement Team at 800-626-3539 and ask for help regarding a deactivated debit card.

Please read below for a more detailed explanation of IRS rules about debit cards, substantiation and deactivation.

IRS Rules Govern Substantiation and Deactivation Requirements

The IRS rules require all FSA transactions, including debit card swipes, to be substantiated, meaning that the purchase must be verified as an FSA-eligible expense. If a debit card purchase is not properly substantiated, IRS rules require deactivation of the card. GDI is diligent in the substantiation process to avoid adverse tax consequences to participants.

How are debit card purchases substantiated?

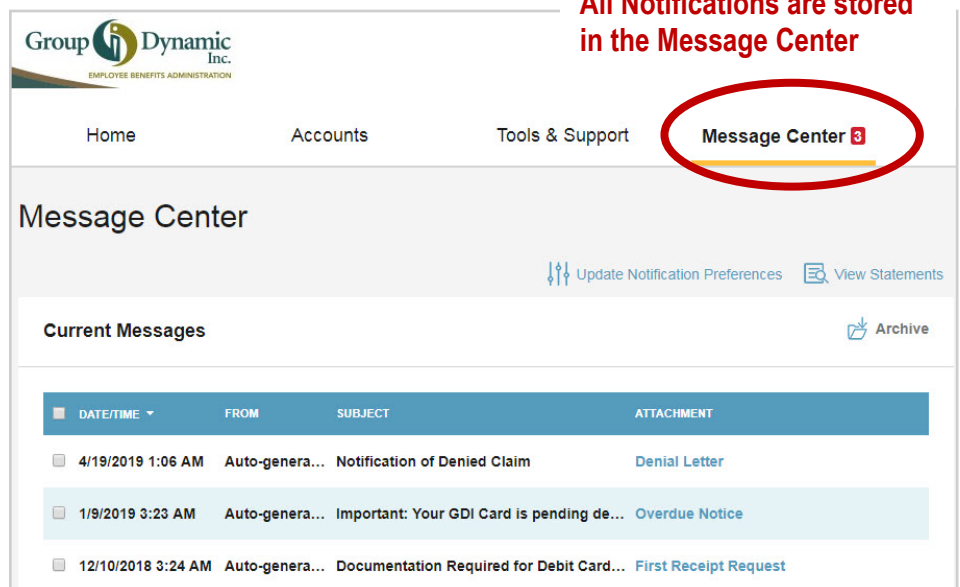
Automatic substantiation occurs when your purchase can be verified as eligible at the point-of-sale (e.g., a prescription from a retail pharmacy or an office visit co-pay). These types of transactions account for 85% of all debit card purchases.

Manual Substantiation is required when your card transaction cannot be automatically substantiated (e.g., most dental and vision card transactions).

The Importance of Itemized Receipts

Whether you use your card or pay with cash, always keep all receipts for medical, dental or vision expenses with the expectation that you may be asked for a copy of that receipt to substantiate a purchase. An itemized receipt or statement includes the following: Purchaser Name, Provider Name, Service Date, Amount, Description of the Service. Credit card statements, cash register receipts, cleared checks are not sufficient forms of documentation.

All Notifications are stored in the Message Center

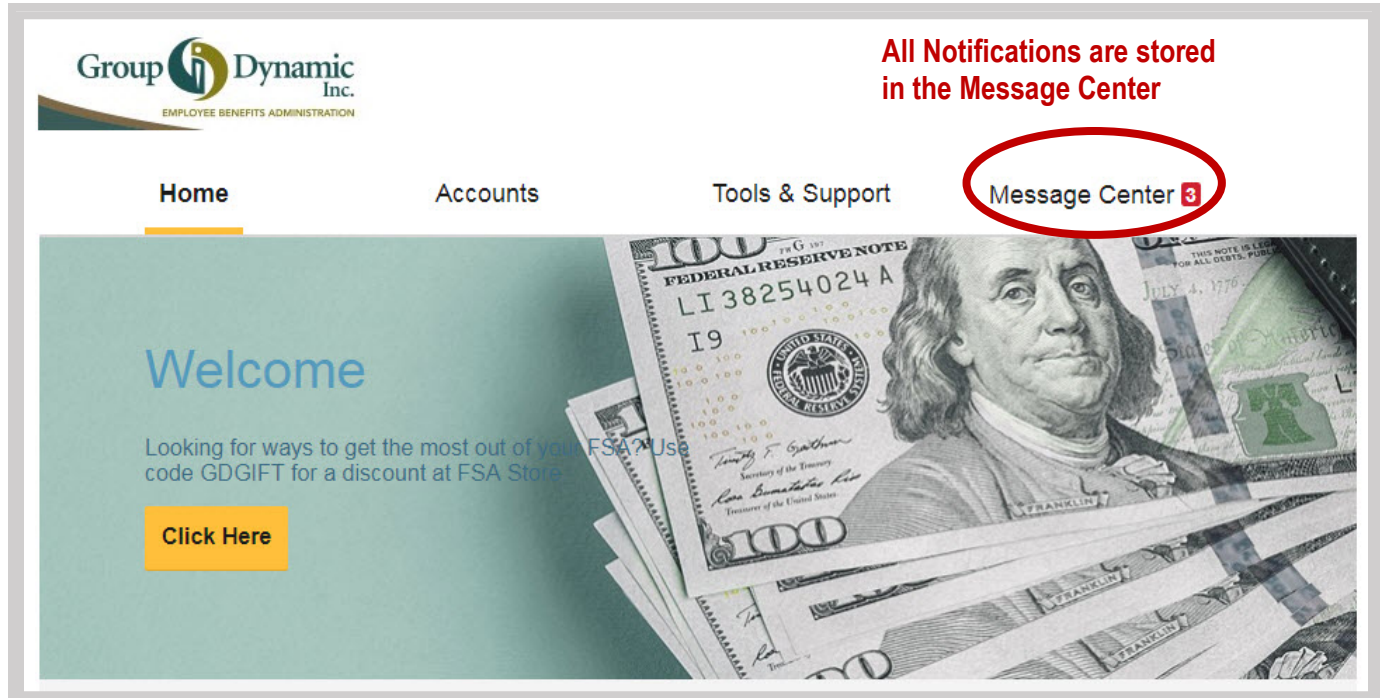


The screenshot shows the Group Dynamic Inc. Participant Portal. The navigation menu includes Home, Accounts, Tools & Support, and Message Center (3), which is circled in red. The Message Center page displays a list of current messages:

DATE/TIME	FROM	SUBJECT	ATTACHMENT
4/19/2019 1:06 AM	Auto-genera...	Notification of Denied Claim	Denial Letter
1/9/2019 3:23 AM	Auto-genera...	Important: Your GDI Card is pending de...	Overdue Notice
12/10/2018 3:24 AM	Auto-genera...	Documentation Required for Debit Card...	First Receipt Request

How will I know if a card transaction requires documentation?

GDI notifies you within 10 days of an unsubstantiated card swipe with a Debit Card Receipt Request notification. It will either be: 1. Sent to the email address we have on file for you or; 2. Mailed to the home address we have on file for you; or 3. Sent via text message if you have this preference set up on our portal. Notifications are always posted in the Message Center on your Participant Portal Home Page and can be accessed any time.



The Debit Card Receipt Request gives you 30 days to provide a copy of the receipt to substantiate the card swipe and contains detailed instructions to do so. If you do not respond by the 30 days, the next notice is a Pending Deactivation Notice which reminds you that in 10 days your card will be deactivated. If you do not reply at the end of 40 days, your card will be deactivated in accordance with IRS rules. If it is later determined that the expense is ineligible, you may repay the plan or offset the transaction amount with a valid expense.

GDI notified me that a card transaction was ineligible. What should I do?

If you used the card for an ineligible expense (e.g., you used the card to pay for a service incurred in a previous plan year), you may repay the plan or offset the transaction amount with a valid expense. Our friendly Reimbursement Team representatives can walk you through the process. You can reach them at 1-800-626-3539.

Tips to Avoid Debit Card Deactivation

- Be aware of the expenses you choose to pay with your debit card and always keep your receipts
- Share this information with family members who may have their own card or use your card
- Check your mail or email for notifications (especially “Junk” or “Clutter” email folders)
- Visit the Participant Portal frequently via the GDI mobile app or your favorite device
- Use an alternate form of payment if you suspect an expense will require documentation and request reimbursement via the Participant Portal instead