

The Debit Card: Frequently Asked Questions for the MDEA and the HRA



1. What is the debit card?

The 121 Benefits debit card (formerly the Benny® Card) is a VISA card that has been pre-loaded with your annual Medical/Dental Expense Account (MDEA) election and if applicable, MDEA carryover, State HRA and Minnesota State HRA balances. The debit card provides the ease and convenience of not having to pay expenses out of pocket and then seek reimbursement by submitting a reimbursement request to 121 Benefits. Remember that using the debit card does not mean that the transaction is paperless. You may still be asked for documentation for the expense.

2. How does the debit card work?

Present the card as your method of payment to your provider or retailer, and the cost of the product or service is deducted from your account balance(s) in the following order as applicable: (1) State HRA, (2) MDEA (plus carryover amount), (3) Minnesota State HRA. If asked at the point of transaction whether to process your transaction as a debit or credit, respond “credit.”

3. What if I have medical or dental insurance?

If the expense is eligible through your medical or dental insurance coverage, make sure that the claim has been processed through your insurance *prior* to paying your portion of the charges. Normally, this will happen at the point of sale for prescriptions, but does not necessarily happen at the point of service for medical, dental, and vision expenses. Even if the entire expense will be applied to a deductible or the expense exceeds the maximum that may be eligible under your insurance plan, it should first be processed by the insurance carrier.

4. If I use the debit card, will the pre-tax accounts be completely “paperless”?

Unfortunately not. Up to 80% of debit card transactions process at the point of service without additional documentation needed. However, because of IRS requirements, some expenses still require manual substantiation (e.g. a co-payment for a spouse’s plan, eyeglasses, or dental services). The need for documentation is dependent on where the card was used and the dollar amount of the transaction.

5. What is automatic substantiation?

Automatic substantiation is the process by which certain expenses can be approved electronically without the participant providing documentation.



6. What types of expenses can I expect to automatically substantiate?

Based upon your insurance plan and IRS allowances, there are several ways that automatic substantiation may occur. Generally, all retailers that can accept the debit card have a system in place that will automatically substantiate purchases made. In addition, copayments at medical clinics matching the State's medical plan should automatically substantiate and should not need additional documentation. Some pharmacies, however, may accept the card yet additional documentation may be required after the sale since their system can accept the debit card but does not differentiate between eligible and ineligible items.

7. Should I still save my receipts and itemized documentation?

Yes. You should always save itemized invoices, statements, or Explanation of Benefits (EOB) for expenses that have been paid or reimbursed from the MDEA, State HRA, or Minnesota State HRA in case you are asked to verify the expense (per IRS regulations) or in the case of an IRS audit.

If 121 Benefits requires additional information regarding the debit card purchase, you will be sent a letter requesting the specific information that is necessary to substantiate that transaction. If you have provided your email address to 121 Benefits, the request will be emailed from "[mailto: 121benefitsdo-not-reply@121Benefits.com](mailto:121benefitsdo-not-reply@121Benefits.com)". You will have 30 days to respond to 121 Benefits' request. If 121 Benefits does not receive a response from this first request, a second notice will be sent to you giving you an additional 14 days to respond. If you do not respond to this second request, 121 Benefits will treat the transaction as an overpayment on your account, and your debit card will be deactivated. To have the card reactivated, you must respond to 121 Benefits and supply the requested information, repay the overpayment, or provide a substitute claim to offset the overpayment.

Be sure to keep your email address up to date. It is the participant's responsibility to maintain an accurate email address on file with 121 Benefits if that is your selected method of receiving communications. The state does not provide email addresses to 121 Benefits.

If your card is on hold for an unsubstantiated debit card transaction and you submit a manual claim for reimbursement, your manual claim will automatically be used to offset the transaction for which the card is on hold (as long as the transaction and the service date of the manual claim occurred in the same plan year). If the overpayment is not satisfied, the amount will be included as taxable income on your W2 form.

8. How will I know if I need to submit documentation to verify an expense?

There may be times when 121 Benefits cannot automatically substantiate your debit card transaction. When substantiation is required, 121 Benefits will send you a letter or email (as noted above) requesting the documentation. You can also log into your account online or through the mobile app to check the status of your debit card activity.

If you have provided your email address to 121 Benefits, an email notification will be sent to you at the address provided referring you to log into your 121 Benefits account. The sender of these emails is "[mailto: 121benefitsdo-not-reply@121Benefits.com](mailto:121benefitsdo-not-reply@121Benefits.com)". You will see a message on your homepage in the 'Message

Visit our website at www.121benefits.com, email CustomerService@121benefits.com
Call 612.877.4321 (toll free 800.300.1672)

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Center' if documentation for pending claims is required. Click on the link to upload a pdf of your receipt. Documentation can also be submitted through the mobile app. No mail or fax required when using these options!

9. What is acceptable documentation?

Acceptable documentation is an itemized receipt, statement, or Explanation of Benefits (EOB) that reflects the actual date of service, description of service, and patient portion of the charges. Pre-estimates and balance due statements are not acceptable documentation.

NOTE: The 121 Benefits debit card should only be used for current year's expenses. Paying a prior year's expense or pre-paying for future services is not allowed and will result in an overpayment on your account.

10. What happens if I fail to submit the requested document(s)?

If you fail to submit the documentation when requested, your debit card will be suspended from further use according to IRS guidelines. In addition, the expense will be considered ineligible and repayment will be required as noted above.

11. If my card is suspended, can it be reinstated?

If your card has been suspended due to outstanding substantiation or repayment requests, it can be reinstated by simply providing sufficient documentation or repaying the outstanding amount.

12. What if I or one of my dependents has other insurance?

You can use the debit card for medical or dental expenses regardless of the insurance provider so long as the expenses are incurred by an eligible tax dependent. 121 Benefits may request substantiation after you have used the debit card. It is important that you and your eligible dependents save itemized receipts in the event that it is necessary to substantiate the expenses.

13. How many debit cards will I receive?

You will automatically receive a set of two debit cards if you are a new MDEA or Minnesota State HRA participant. They arrive in a plain white envelope that may be mistaken for junk mail. Both cards will have the employee's name on them and will indicate that it is a State of Minnesota account. If the second card is going to be used by another eligible tax dependent such as a spouse or dependent child, simply have the dependent sign the back of the second card. Each card user should sign the card with his or her own signature. Additional cards are available for a cost of \$10 per set of two cards, which will be deducted from the participant's MDEA or HRA account.

14. How do I activate my debit card?

Your card will activate the first time it is either swiped by the merchant or you call a provider to pay a bill over the phone. Activating one card activates both cards at the same time.



15. What should I do if my debit card(s) are lost or stolen?

You should call 121 Benefits Customer Service as soon as possible. Recent transactions can be reviewed to ensure that expenses charged to the account belong to the participant and/or eligible dependents, and the missing cards can be deactivated. Replacement card(s) can be requested and are issued for \$10 per set of two cards. This charge will be deducted from the participant's MDEA or HRA account.

16. Do I need a new debit card each year?

No. The card is good for three years from the date issued. It can be used for subsequent plan year pre-tax accounts if you continue to participate in the MDEA or have an HRA. If you are planning to sign up again for an MDEA or if you will have a carryover MDEA amount, retain your card for future use since new cards are not issued each plan year.

17. Where can the debit card be used?

The card can be used for eligible expenses incurred at health care providers including medical or dental offices, hospitals, and medical laboratories. It should only be used for expenses that are eligible under IRS or plan guidelines and not used for expenses from a prior year.

The card may also be used at participating retail stores or pharmacies. For a list of participating stores and pharmacies, visit www.121benefits.com and click on the 'IIAS Merchants' link under the Tools & Support tab on the homepage of your individual account.

Over-the-counter (OTC) drugs and medicines may be purchased with the debit card if a prescription is presented to the pharmacist, the medicine is obtained from the pharmacist and you keep the itemized receipt and prescription. The pharmacist must assign a prescription number and retain the record of the transaction. Insulin as well as any non-medicine and non-drug OTC items such as bandages, blood sugar test kits, blood pressure monitors, contact lens solution, and first aid kit supplies can still be purchased with the debit card without a prescription.

18. What should I do if the card can't be used at the provider's office or retailer?

There may be providers or retailers who do not accept VISA or the type of store is not authorized to do so. In this case, you must request reimbursement for the expense through the manual reimbursement request process after the item has been purchased. Reimbursement requests can be made via the mobile app, online, fax, or by U.S. mail.

19. Can my spouse or dependent use the card?

Yes, the person using the card should sign their name on the back of the card before using it. If you need additional cards, call 121 Benefits Customer Service for assistance. The cost of \$10 for a set of two additional cards will be deducted directly from your MDEA or HRA.



20. How will I know if I have sufficient funds to cover the expense?

You should make sure that you have sufficient funds in your account before using the debit card for payment. If you do not, the provider or retailer may receive an “Insufficient Funds” notification when processing the transaction.

You can verify your balance by registering and logging into the consumer portal at www.121benefits.com or by uploading the 121 Benefits mobile app. If you have previously not logged into the consumer portal, log in as an Existing User and use your employee ID# plus the last four digits of your Social Security Number as both your user name and password. You will be prompted to change your password the first time you log in.

You can also contact 121 Benefits Customer Service for assistance at 612.877.4321 (toll free 800.300.1672).

21. Where can I go to view the details of my debit card transactions?

You can view account activity, payment dates and any claims transactions by logging into the 121 Benefits website at www.121benefits.com or by logging into the mobile app.

22. Whom should I call if I have questions regarding the debit card?

If you have questions regarding the debit card or your pre-tax accounts, you should contact 121 Benefits Customer Service at 612.877.4321 (toll free 800.300.1672) or by email to CustomerService@121benefits.com.

23. What should I do if I accidentally charge an ineligible expense on the debit card?

Please contact 121 Benefits Customer Service at 612.877.4321 (toll free 800.300.1672) or by email to CustomerService@121benefits.com for assistance.

24. Can I use the debit card for a previous year’s expenses?

No. You should not use the debit card to pay for expenses whose date of service is from a previous plan year, regardless of the billing date by the provider. The state’s pre-tax plan year coincides with the calendar year, so you should not use the card for expenses that are outside the current year. If you do so in error, contact 121 Benefits Customer Service at 612.877.4321 (toll free 800.300.1672) or by email to CustomerService@121benefits.com for assistance.

25. How can I learn more about the debit card?

Please contact 121 Benefits Customer Service at 612.877.4321 (toll free 800.300.1672) or by email to CustomerService@121benefits.com.

