

EMPLOYER AUTO-SUBSTANTIATION HANDOUT

Substantiation is required to ensure that a benefits debit card was used only for IRS-approved items or services within the allowed time frame. Aptia has simplified substantiation by offering three features to help participants by automatically substantiating transactions made on their debit card.

1

INVENTORY INFORMATION APPROVAL SYSTEM

Merchants using the Inventory Information Approval System (IIAS) will approve eligible expenses at the point of purchase. Participants can use the debit card for their entire purchase, and the IIAS will filter through which items qualify as eligible expenses. The merchant will then ask for a secondary form of payment for ineligible items. For a list of merchants using IIAS, go to www.sig-is.org and utilize the Store Locator feature by entering an address or zip code.

Example: John Doe goes to his pharmacy to buy contact solution and milk. He uses his Aptia debit card for payment. The amount of the contact solution will automatically be approved, and the merchant will ask for another form of payment for the milk.

2

RECURRING EXPENSES

Expenses that match the provider and dollar amount for previously substantiated transactions can be auto-substantiated. Documentation is requested the first time the card is used for that amount at that provider, but future claims for the same amount from the same provider will not require documentation.

Example: John Doe has a monthly chiropractic appointment, and every month he is charged the same amount. Documentation is requested the first time the card is used for that amount at that provider. Once received, the recurring expense feature will match any future claim for the same dollar amount at the same provider and no documentation will be needed.

3

CO-PAYMENTS

Any flat dollar co-payments that you have in your medical, dental or vision plans can be built into the Aptia debit card. All debit card transactions that match the provided co-payment amounts will not need additional documentation. Employers can add co-payments to the debit card during implementation or renewal simply by adding the co-payments to the design guide.

Example: A medical co-payment of \$10 is provided on the design guide. John Doe goes to the clinic and uses his debit card for a co-payment of \$10. No documentation will be required for his transaction.