



Agent Training Guide



 smarter benefits™



Benefits Funding Benefits



 smartflex™

Leverage Tax Savings to Fund Benefits

Smartflex™ is a smarter way to deliver supplemental benefits to employees. It provides an immediate tax relief to the employer through FICA savings, reduces the company's tax liability, and significantly enhances net profit.

With Smartflex, the employer can help insulate employees from unexpected medical costs, without reducing their take-home pay, all while greatly enhancing the company's net profit.

It consists of two plans working together: a **Section 125 Cafeteria Plan** and a **Medical Expense Reimbursement Plan (MERP)**, both owned by the employer.

And because of the benefits offered in the plan, an employer can easily quadruple their current benefit package while saving **\$1,101 per employee annually in FICA taxes**. The benefits paid from the MERP are included in your benefit package – averaging \$13,721 per enrolled employee.



Our Benefits Complement Your Benefits

The Smartflex medical benefits are the back-bone of the tax-savings program. While our medical benefits aren't insurance, they are an affordable alternative to using the group health plan with its copays and deductibles. Smartflex is an ERISA health and welfare Section 125 cafeteria plan.



Our medical plan features highly sought-after benefits, like telemedicine; counseling with licensed mental health professionals; pharmacy discounts; discounted lab work: dental, vision and alternative medicine discounts. The Smartflex benefits are available to enrollees and their families, regardless of whether or not they enrolled in the company group health plan.

What is a MERP?

A Medical Expense Reimbursement Plan offers the employer more flexibility in reimbursing an employee for a medical care premium. What makes Smartflex so unique, is the funding for the reimbursement; the employer is able to use the employee premium to fund the reimbursement.

Paycheck Sample – Monthly Pay Frequency

This employee had **\$235.80** in flex allowance to spend monthly.

She purchased accident and life insurance and paid her Smartflex admin fee from this allowance, leaving **\$1.72** in unspent flex.

Before Smartflex	
Monthly Gross Pay:	\$3,000.00
Cafeteria Plan:	
Group Health Insurance:	-\$203.52
Taxable Gross:	\$2,796.48
Federal Taxes:	-\$281.41
State Taxes:	-\$47.60
Social Security Taxes:	-\$173.38
Medicare Taxes:	-\$40.55
Total Taxes Paid:	-\$542.94
Take-Home Pay:	\$2,253.54

After Smartflex	
Monthly Gross Pay:	\$3,000.00
Cafeteria Plan:	
Group Health Insurance:	-\$203.52
Smartflex Accident Insurance:	-\$34.08
Smartflex Admin Fee:	-\$50.00
Smarter Benefits:	-\$1,115.92
Taxable Gross:	\$1,596.48
Federal Taxes:	-\$137.41
State Taxes:	-\$47.60
Social Security Taxes:	-\$98.98
Medicare Taxes:	-\$23.15
Total Taxes Paid:	-\$307.14
Post-Tax Life Insurance:	-\$150.00
MERP Reimbursement:	\$1,114.20
Take-Home Pay:	\$2,253.54

All the Smartflex pre-qualified deductions will always add-up to \$1200 per month.

The total taxes before Smartflex, minus taxes after Smartflex creates the flex allowance.

This employee left \$1.72 per month in the MERP (unspent flex). It now belongs to the employer.

This is a New Jersey sample; New Jersey does not recognize cafeteria plans for reduced taxation.

Who is Eligible for Smartflex™?

Prior to enrollment, Smartflex will determine every employee's eligibility for the plan based on their income and current deductions. Ideally, an employee should make \$17,500 or more annually and have paid time off. The employee should have a consistent pay check, though we do work with commission and hourly based workers. The employer will need a group health plan in place and have an established Cafeteria Plan (Section 125) prior to enrollment. Enrolling employees must be eligible for a cafeteria plan to apply, though they do not need to be enrolled in the company group health plan.

Why Smartflex™?

Building an employee benefit package that also supports the company's profitability is unique to Smartflex. As an employer, you can offer insurance and benefits to your employees without reducing their take-home pay and significantly improve your employees health and financial well-being. Ask us today about adding Smartflex to your benefit package.

125 Employees x \$1,101 = \$137,625 Annual FICA Savings
Up to \$1.8 Million in Employer-Provided Benefits!

Plan Definitions

Admin Fee: The employer contributes \$25 per month toward Smartflex administration per enrolled employee. The employee also contributes \$50 per month from their flex allowance.

Cafeteria Plan: The monthly premium for the cafeteria plan is \$1200 (payroll deducted before taxes) which is paid to the employer. The premium includes the cost of Smarter Benefits. The employer must have a Section 125 Cafeteria plan in place prior to enrollment.

Eligibility: Employees eligible for this program must also be eligible for a group health plan: fulltime, employed for 60+ days, active at work and have an annual salary over \$17,500. The employee's other deductions also impact eligibility. The employees must also have access to a group health plan provided by the employer (though they do not have to be enrolled in the plan).

ERISA Governed: The plan is governed under the same rules as any ERISA plan. It has an Open Enrollment period with allowances for Special Election periods. An employee may not enroll in or cancel the plan during the year without meeting the ERISA guidelines. It may not discriminate against employees (the plan or plan benefits must be offered to all eligible employees).

Group Health Plan: The company must offer a group health plan (the employee does not have to enroll in it) and have an established Cafeteria plan prior to adding Smartflex. Form 5500 filings may also be required.

FICA Savings: Each enrolled employee will save the company \$1,101 per year in matching FICA. The savings is created by the Smartflex Cafeteria Plan.

Flex Allowance: The cafeteria plan premium creates the flex allowance. The allowance is the difference in taxes paid by the employee before Smartflex compared to after Smartflex. The employee must use all the allowance on supplemental insurance products offered through the plan. Any flex not spent is forfeited (and stays in the employer plan). As long as the employee doesn't over-spend their flex, their take-home pay remains the same as before the program.

Insurance: All insurance benefits offered under the plan are paid-for by using the flex allowance and are not reimbursed. They will appear as a deduction on the paystub as either pre-qualified or post tax premiums adding-up to the flex allowance (the employee may, however, over or under spend the allowance).

List Bill: The insurance products and the Smartflex fees will be list billed to the company at the end of each month. Smartflex typically requires electronic withdrawal for the admin fees at the end of each benefit. If you prefer to pay your fees by check, please seek prior approval. Cases under 50 enrolled employees are required to use auto withdrawal.

Medical Expense Reimbursement Plan: A MERP, is a stand-alone medical reimbursement plan owned by the employer and does not interfere or replace any other reimbursement, flexible spending account, health savings account, etc. There is no upper or lower limit to the amount of money that an employer can reimburse an employee through a medical reimbursement account. (26 USC §105(b), subject to the limitation stated in 26 USC §105(c).) The MERP is reimbursing up to the full amount of the Smartflex benefits only.

MERP Funding/Usage: The employer establishes a MERP and funds it with the employee's Smartflex medical plan premium. The MERP reimburses the employee for purchasing the medical plan, minus any unspent flex allowance.

Plan Sponsor: The employer is the plan sponsor and shares in the plan cost (see Admin Fee). The employer agrees to payroll deduct plan premiums and to pay plan providers. The employer agrees to fund the MERP and reimburse the employee for the required MERP minus any unused flex.

Smartbill: The employer has the option to also enroll in Smartbill. Smartbill takes responsibility for all payroll deductions, termination notices, and bill auditing. It also pays the insurance carriers and Smartflex from the payroll deductions. This is an additional service at \$10 per month per employee.

Smartflex Benefits: The employees receive a medical care plan as part of the cafeteria plan. The Smartflex benefits are not insurance, but they do provide 24/7 access to medical care through telemedicine and discounts on medical benefits like pharmacy, vision, dental, labs etc. The benefits are considered constructively received when the payment passes to the employer.

W2 Employees: The program is typically not available to contract workers. Owners who are not eligible for group health benefits would also not be eligible for this plan.



Understanding Smartflex™ Cafeteria Plan & MERP – Employer Guide

What is Smartflex™?

Smartflex is a package of benefits that provides a tax savings for the employer and greatly improves the employee's benefits – without reducing the employee's take-home pay. It is three plans in one: a **cafeteria plan**, a **medical expense reimbursement plan** and **insurance**.

“Benefits Funding Benefits”

Our slogan, “Benefits Funding Benefits,” illustrates how the plan works. The cafeteria plan premium creates the tax savings used to fund the additional insurance benefits. The cafeteria plan includes our discount benefit plan and it also includes any pre-tax qualified insurance products – as in accident, critical care, hospital indemnity insurance etc.

How is the Flexible Allowance created?

The amount of flex allowance is created by the difference between what the employee paid in taxes before Smartflex, and what is paid in taxes after the Smartflex cafeteria plan premium. Usually, employees have \$250 or more a month to spend in flex allowance. On the example shown at the right, the employee had \$62 per week to spend in flex (\$88.02-\$26.02=\$62).

Prior to enrollment, each employee is given a set amount of “flex allowance” budget they can use toward supplemental insurance products and the Smartflex admin fee. If the employee does not over-spend their budget, their take-home pay will not be reduced because of Smartflex. Any flex not spent will be forfeited (remaining in the employer plan).

What does the cafeteria plan do?

The employer must have a Section 125 plan cafeteria plan in place prior to enrollment; the Smartflex cafeteria plan wraps-around an existing group health insurance cafeteria plan. The cafeteria plan premium is \$1200 per month deducted from the gross pay of the employee before taxation: this creates the tax savings which funds the Flex Allowance. ERISA rules regarding cafeteria plans must be followed when implementing Smartflex.

What are the Smartflex benefits?

Smartflex provides 24/7 medical care (via telemedicine and licensed mental health counselors) without additional out-of-pocket costs to the employee. It includes discounts on pharmacy, dental, vision, MRI/CT, lab, alternative medicine, etc., that can add up to serious savings for the employee. Smartflex reduces the employee's out of pocket costs for health care while lowering the company's health plan expenses as well – when the employee uses Smartflex benefits rather than group benefits. Smartflex, as a medical plan, qualifies under MERP guidelines for reimbursement of the premium. Smartflex benefits are not insurance.

What is deducted via the cafeteria plan?

The Smartflex plan total premium is based on \$1200 per month. However, any insurance products purchased using flex allowance that qualify for pre-tax treatment and will also be deducted via the cafeteria plan (see paycheck example). These pre-qualified insurance premiums will lower the premium for the Smartflex benefits, but combined all premiums (including the admin fee) will equal \$1200 per month. This separation of the medical plan premium from the insurance premium is important, as only the medical plan premium is reimbursable.

What if an employee doesn't spend all the flex?

If an employee does not spend all their flex allowance, any remaining funds stay in the employer plan. The employer may keep those funds without a tax penalty (up to \$300 per employee per year) or return the funds to the employee at the end of the year. Any funds returned must be fully taxed.

What does the paystub look like?

The actual paystub design can vary by employer preference and the insurance products sold. It is recommended to show all the items purchased under the cafeteria plan on the paystub. The pre-qualified insurance and the Smarter Benefits premium added together will always be equal to a deduction of \$1200 per month. (A weekly cafeteria plan deduction as shown in the illustration below equals \$277).

This employee had \$62 per week to spend in flex allowance. He spent \$59.31 on life, critical and admin fee so his MERP was reduced by \$2.69.

Before Smartflex		After Smartflex 	
Weekly Gross Pay:	\$480.77	Weekly Gross Pay:	\$480.77
Cafeteria Plan:		Cafeteria Plan:	
Group Health Insurance:	-\$15.00	Group Health Insurance:	-\$15.00
		Smartflex Critical Insurance:	-\$4.72
		Smartflex Admin Fee:	-\$11.54
		Smarter Benefits Premium:	-\$260.74
Taxable Gross:	\$465.77	Taxable Gross:	\$188.77
Federal Taxes:	-\$43.39	Federal Taxes:	-\$11.58
State Taxes:	-\$9.00	State Taxes:	-\$0.00
Social Security Taxes:	-\$28.88	Social Security Taxes:	-\$11.70
Medicare Taxes:	-\$6.75	Medicare Taxes:	-\$2.74
Total Taxes Paid:	-\$88.02	Total Taxes Paid:	-\$26.02
		Post-Tax Life Insurance:	-\$43.05
		MERP Reimbursement:	\$258.05
Take-Home Pay:	\$377.74	Take-Home Pay:	\$377.74

How does the Medical Expense Reimbursement plan work?

The employer establishes a separate Medical Expense Reimbursement Plan and agrees to fund the plan with the Smartflex premium. The employer will then reimburse the employee the Smartflex medical plan premium to return the employee to the original take-home pay. Smartflex works with your payroll services to re-create a payroll run prior to enrollment. To be sure that the take-home pay is not impacted by Smartflex, it is critical that both payroll systems (the company and Smartflex) are consistent. Once setup is complete, the payroll is usually not adjusted again that year.

What is the Tax Code behind the plan?

A Medical Expense Reimbursement Plan, MERP, is a stand-alone medical reimbursement plan owned by the employer and does not interfere or replace any other reimbursement, flexible spending account, health savings account, etc. There is no upper or lower limit to the amount of money that an employer can reimburse an employee through a medical reimbursement account. (26 USC §105(b), subject to the limitation stated in 26 USC §105(c).) IRC 213d(1) also defines a premium as an employee expense that is eligible for reimbursement for medical care. Smartflex is not insurance. It exists under the guidelines of 42 US Code Section 300gg-91 as an

employee welfare benefit plan under ERISA. Although the plan is not insurance subject to State insurance laws and regulations; Smartflex does

**Smartflex has a Social Security report available showing the minor impact Smartflex has on Social Security, based on an employee enrolled for ten years.*

provide for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body (IRC 213d1).

What types of insurance benefits are available?

The employer will help select the types of benefits available for the employee to choose from, usually supplemental worksite insurance. See the paystub example on this document.

How is a MERP different from an HRA?

A Health Reimbursement Account is a reimbursement coming to the employee for meeting a pre-set requirement, like a hospital visit triggers a reimbursement of \$200 as an example. A Medical Expense Reimbursement Plan has much more flexibility in what it covers. As Smartflex offers 24/7 medical care to the employee, the plan qualifies for a reimbursement of the premium expense, not of a specific incident.

Can an employee cancel this anytime during the year?

The cafeteria plan has an annual open enrollment in which an employee can change insurance plans, add or remove family members, join or cancel participation. If the employee has a qualifying event (such as marriage, new baby, divorce) during the plan year, the employee will also be eligible to make plan changes. This is an ERISA plan subject to ERISA penalties and fines for allowing an employee to cancel the plan or join the plan outside of the plan requirements. Please review the ERISA Plan Summary Document for complete information.

Does Smartflex include dependents?

Yes! The plan discount benefit card includes the employee's immediate family (dependents). Each enrolled employee will receive two benefit cards. The family can register on the www.mybenefitswork.com or download the smartphone app (My Benefits Work) for more plan information.

How will this affect the employee's year-end taxes?

Smartflex is not designed to increase an employee's year-end tax liability. In some cases, the tax liability may be less because of the plan because Smartflex will reduce the employee's gross income which may drop the employee into a lower tax bracket. We cannot give tax advice, as many factors contribute to taxation. Please see your tax professional.

What happens if an employee takes time off?

Flexible allowance is figured based on a regular pay period. If an employee doesn't have paid vacation or paid sick time, the employee may have to make up the difference in the premiums that are due every month.

Why is life insurance part of the plan benefits?

By offering a universal or whole life policy to the employee, the value of the life insurance can help offset any minor loss to Social Security benefits. (Smartflex has a Social Security report available showing the minor impact Smartflex has on Social Security, based on an employee enrolled for ten years.) Many of the life policies used in the plan also cover things like long term care, terminal illness and still provide cash growth over time.

What if the employee only wants to buy the life insurance?

The employee may use all available flex credits for life insurance and not purchase any additional pre-qualified insurance offered under the plan. The Smartflex admin fee and the medical plan premium would still come out of the paycheck as part of the cafeteria plan prior to taxation, adding up to \$1200 in cafeteria plan deductions for the month.

Are all employees eligible for the plan?

Usually, an employee should earn about \$17,500 gross in order to join the plan. An employee's paycheck must also handle all deductions before reimbursement without a negative result: if a negative result occurs during the employee will be disqualified from enrolling. Also, any employee who is a shareholder of the company or who does not qualify for the company group benefits would not qualify for the Smartflex plan. However, the employee may purchase any of the insurance products offered.

What if the employee leaves the company?

All these plans are owned by the employee. If the employee leaves the company, the employee will have the option to keep the plan without an increase in premium. However, the discount benefits provided through Smartflex will stop at the termination date. The employer must notify Smartflex of any terminated employees before the end of the termed month. The employer will be billed for the employee and the employer admin fee for any active plan; an active plan starts on the first of the month.

What happens if the employee doesn't join the first year?

The first year the employee is eligible for the plan locks in that employee's guaranteed issue, i.e.: answering health questions are not required for certain benefits. After the first year, the employee will not have a guaranteed issue period for life insurance, etc.

Is there a fee for the plan?

Smartflex charges a monthly plan administration fee. The employee pays \$50 per month from their flex, which does not reduce their take-home pay. The employer fee is \$25 per employee per month and is a benefit expense.

What is the tax savings for the company?

The cafeteria plan creates a FICA-match savings of \$1,101 per enrolled employee annually. The FICA savings is realized with every pay period. It also creates an increase in the amount of benefits provided by the company via the MERP. The MERP will vary per employee. In the paystub example shown in this document, benefit is calculated as follows: MERP \$258.05*52+\$300 Admin fee annually = \$13,718.60. The employer's admin fee is tax-reducing to the employer (\$300 annually).

How is the Smarter Benefits premium determined?

The Smartflex medical benefits alone have an audited value of \$20,000 annually for a family of four, with two or more chronic illnesses, who use the discounts and free medical care as their primary means of receiving healthcare. The premium is based on that value, though Smartflex does not anticipate that an average employee will receive that value every year.

More questions? Contact us at:

Main Office: 281-407-5656

Email: Contact@Smartflexme.com

Employee Website: www.SmartflexMe.com

Disclosures: **The Smartflex plan is NOT insurance.** The plan is not insurance coverage and does not meet the minimum creditable coverage requirements under the Affordable Care Act or Massachusetts M.G.L. c. 111M and 956 CMR 5.00. It provides discounts only at the offices of contracted health care providers, and each member is obligated to pay the discounted medical charges in full at the point of service. Website to obtain participating providers: MyBenefitsWork.com. Discount Plan Organization: New Benefits, Ltd., Attn: Compliance Department, PO Box 803475, Dallas, TX 75380-3475, 800-800-7616. Not available to UT, VT or WA residents. © 2018 Teladoc, Inc. All rights reserved. Teladoc and the Teladoc logo are registered trademarks of Teladoc, Inc. and may not be used without written permission. Teladoc does not replace the primary care physician. Teladoc does not guarantee that a prescription will be written. Teladoc operates subject to state regulation and may not be available in certain states. Teladoc does not prescribe DEA controlled substances, non-therapeutic drugs and certain other drugs which may be harmful because of their potential for abuse. Teladoc physicians reserve the right to deny care for potential misuse of services.





Understanding Smartflex™ – Employee Guide

What is Smartflex™?

Smartflex is a package of benefits that creates a tax savings for the employee and greatly improves the employee's benefits – without reducing the employee's take-home pay. It is three plans in one: a **cafeteria plan**, a **reimbursement plan** and **insurance**.

The cafeteria plan premium creates the tax savings used to fund the additional insurance benefits. The cafeteria plan includes our Smartflex benefit plan and a selection of pre-tax qualified insurance products – as in accident, critical care, hospital indemnity insurance etc.

How is the Flexible Allowance Created?

The amount of flex allowance is created by the difference between what the employee paid in taxes before Smartflex and what is paid in taxes after the Smartflex cafeteria plan premium. Usually, employees have \$250 or more a month to spend in flex allowance. On the example shown at the right, the employee had \$69.42 per week to spend in flex (\$133.31-63.89=\$69.42) and purchased an accident and life policy.

Prior to enrollment, each employee is given a set amount of "flex allowance" budget they can use toward supplemental insurance products and the Smartflex admin fee. If the employee does not over-spend their budget, their take-home pay will not be reduced because of Smartflex. Any flex not spent will be forfeited (remaining in the employer plan).

What are the Smartflex benefits?

Smartflex provides 24/7 medical care (via telemedicine and licensed mental health counselors) without additional out-of-pocket costs to the employee. It includes discounts on pharmacy, dental, vision, MRI/CT, lab, alternative medicine, etc., that can add up to serious savings for the employee. Smartflex is not insurance.

What Does the Paystub Look Like?

The actual paystub design can vary by employer preference and the insurance products sold. It is not necessary to show all the items purchased under the cafeteria plan on the paystub. However, if the pre-qualified insurance premiums are listed individually on the paystub as shown in the illustration at right, then the Smartflex premium is also listed separately. The pre-qualified insurance and the Smartflex premium added together will always be equal to a deduction of \$1200 per month. (A weekly cafeteria plan deduction equals \$277).

In the example shown at right, the employee's reimbursement is reduced by \$1.52 of unspent flex – but the take-home pay remains the same.

How Does the Reimbursement Plan Work?

Smartflex uses a Medical Expense Reimbursement Plan. It is the most flexible of all Section 105/106 IRC strategies. Unlike a Health Savings Account or Flexible Spending Account, a MERP does not have a limit of contribution, though the contribution always comes from the em-

ployer. A MERP is paid toward medical care received by the employee. In the case of Smartflex, the Smartflex plan premium includes 24/7 access to medical care as the foundation of the plan, making it eligible for reimbursement by the employer.

With the reimbursement, the employee's take-home pay will remain the same as before the plan – including covering the cost of the insurance premiums and plan fee. Any unspent flex allowance remains in the plan as the employee cannot take home extra cash as determined at the time the plan is created (annually).

What is the Tax Code behind the Plan?

A Medical Expense Reimbursement Plan, MERP, is a stand-alone medical reimbursement plan owned by the employer and does not interfere or replace any other reimbursement, flexible spending account, health savings account, etc. There is no upper or lower limit to the amount of money that an employer can reimburse an employee through a medical reimbursement account. (26 USC §105(b), subject to the limitation stated in 26 USC §105(c).) IRC 213d(1) also defines a premium as an employee expense that is eligible for reimbursement for medical care. Smartflex is not insurance. It exists under the guidelines of 42 US Code Section 300gg-91 as an employee welfare benefit plan under ERISA. Although the plan is not insurance subject to State insurance laws and regulations; Smartflex does provide for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body (IRC 213d1).

Before Smartflex	After Smartflex
Weekly Gross Pay: \$692.31	Weekly Gross Pay: \$692.31
Cafeteria Plan:	Cafeteria Plan:
Group Health Insurance: -\$46.97	Group Health Insurance: -\$ 46.97
	Smartflex Accident Insurance: -\$7.87
	Smartflex Admin Fee: -\$11.53
	Smartflex Benefits: -\$257.52
Taxable Gross: \$645.34	Taxable Gross: \$368.42
Federal Taxes: -\$64.94	Federal Taxes: -\$31.71
State Taxes: -\$19.00	State Taxes: -\$4.00
Social Security Taxes: -\$40.01	Social Security Taxes: -\$22.84
Medicare Taxes: -\$9.36	Medicare Taxes: -\$5.34
Total Taxes Paid: -\$133.31	Total Taxes Paid: -\$63.89
	Post-Tax Life Insurance: -\$48.50
	Smartflex Reimbursed: \$256.00
Take-Home Pay: \$512.03	Take-Home Pay: \$512.03

What types of insurance benefits are available?

The employer will help select the types of benefits available for the employee to choose from, usually supplemental worksite insurance. See the paystub example on this document.

How is a MERP different from an HRA?

A Health Reimbursement Account is a reimbursement coming to the employee for meeting a pre-set requirement, like a hospital visit triggers a reimbursement of \$200 as an example. A Medical Expense Reimbursement Plan has much more flexibility in what it covers, including the plan premium (Smartflex).

Can an employee cancel this anytime during the year?

The cafeteria plan has an annual open enrollment in which an employee can change insurance plans, add or remove family members, join

or cancel participation. If the employee has a qualifying event (such as marriage, new baby, divorce) during the plan year, the employee will also be eligible to make plan changes. This is an ERISA plan subject to ERISA penalties and fines for cancelling the plan or joining the plan outside of the plan requirements. Please review the ERISA Plan Summary Document for complete information.

Does Smartflex include dependents?

Yes! The plan discount benefit card includes the employee's immediate family (dependents). Each enrolled employee will receive two benefit cards. The family can register on the www.mybenefitswork.com or download the smartphone app (My Benefits Work) for more plan information.

How will this affect the employee's year-end taxes?

Smartflex is not designed to increase an employee's year-end tax liability. In some cases, the tax liability may be less because of the plan. Smartflex will reduce the employee's gross income which may drop the employee into a lower tax bracket. We cannot give tax advice, as many factors contribute to taxation. Please see your tax professional.

What happens if an employee takes time off?

The flex allowance is based on a regular pay period. If an employee doesn't have paid vacation or paid sick time, the employee may have to make up the difference in the premiums that are due every month.

Why is life insurance part of the plan benefits?

By offering a universal or whole life policy to the employee, the value of the life insurance can help offset any loss to Social Security benefits. Many of the life policies used in the plan also cover things like long term care, terminal illness, etc. and still provide some type of cash growth.

What if the employee only wants to buy the life insurance?

The employee may use all available flex allowance for life insurance and not purchase any additional pre-qualified insurance offered under the plan.

Are all employees eligible for the plan?

Usually, an employee should earn about \$17,500 gross in order to join the plan. An employee may also be disqualified from the plan in their deductions exceed their net pay without the reimbursement. The employee may also purchase any of the insurance products offered without joining the plan.

What if the employee leaves the company?

All these plans are owned by the employee. If the employee leaves the company, the employee will have the option to keep the plan without an increase in premium. However, the Smartflex benefits will stop at the termination date.

What happens if the employee doesn't join the first year?

The first year the employee is eligible for the plan locks in that employee's guaranteed issue, i.e.: answering health questions are not required for certain benefits. After the first year, the employee will not have a guaranteed issue period for life insurance, etc.

Is there a fee for the plan?

Smartflex charges a monthly plan administration fee. The employee pays \$50 per month from their flex, which does not reduce their take-home pay.

Will the employee's W2 look differently?

Employers have the option of including all cafeteria plan deductions, including Smartflex, in Box 14 of the W2. This is not a requirement. However including all cafeteria plan deductions in Box 14 will show the adjusted gross income of the employee (Box 14 added to the taxable gross would equal the actual gross pay of the employee). Box 14 can also be used to show the amount of other deductions, such as post tax or 401k. Please see your CPA for tax advice related to your plan.

How is the Smartflex premium determined?

The Smartflex benefits by themselves have an audited value of \$20,000 annually for a family of four, with two or more chronic illnesses, who use the discounts and free medical care as their primary means of receiving healthcare. The premium is based on that value, though Smartflex does not anticipate that an average employee will receive that value every year.

Woops! My take-home pay went down. Now what?

Your Smartflex plan is based on your tax filing status, gross pay and deductions at the start of the plan year. If you have a filing status change (married, divorced, new baby), you may request a recalculation of your flex allowance. If your take-home pay is consistently reduced because of a change made to your gross pay that is not related to a status change, Smartflex may be able to help you fix it during the plan year. Please contact Human Resources for assistance.

More questions? Contact us at:

Main Office: 281-407-5656

Email: Contact@smartflex.com

Employee Website: www.Smartflex.com

Disclosures: **The Smartflex benefit plan is NOT insurance.** The plan is not insurance coverage and does not meet the minimum creditable coverage requirements under the Affordable Care Act or Massachusetts M.G.L. c. 111M and 956 CMR 5.00. It provides discounts only at the offices of contracted health care providers, and each member is obligated to pay the discounted medical charges in full at the point of service. Website to obtain participating providers: MyBenefitsWork.com. Discount Plan Organization: New Benefits, Ltd., Attn: Compliance Department, PO Box 803475, Dallas, TX 75380-3475, 800-800-7616. Not available to UT, VT or WA residents. © 2018 Teladoc, Inc. All rights reserved. Teladoc and the Teladoc logo are registered trademarks of Teladoc, Inc. and may not be used without written permission. Teladoc does not replace the primary care physician. Teladoc does not guarantee that a prescription will be written. Teladoc operates subject to state regulation and may not be available in certain states. Teladoc does not prescribe DEA controlled substances, non-therapeutic drugs and certain other drugs which may be harmful because of their potential for abuse. Teladoc physicians reserve the right to deny care for potential misuse of services.

Spending Flex Allowance

Three Employees Share Their Benefit Selection

When an employee enrolls in Smartflex™, they have a set amount of flex allowance to spend on insurance benefits. The flex allowance comes from the employee's tax savings when they enroll.

The flex is based on the employee's gross pay, tax filing status and deductions before adding Smartflex and set at the time of enrollment.

Employees will choose from cafeteria plan insurance benefits and post-tax insurance benefits: both of which are paid for using

the flex allowance. There is also an administrative fee from Smartflex that is deducted from the employee's flex allowance.

If an employee does not spend all their flex allowance, they forfeit the leftover amount, which will lower their reimbursement. Any overspending of their flex allowance will reduce their take-home pay by amount overspent.

The three employees shown below are illustrations of how an employee might spend their flex. Employer plans will vary per group.



Martha: Age 62

Weekly Flex Allowance: \$62.00

Total Café Premium: \$277.00

- Smartflex Benefits: \$260.74
- (Flex) Critical Illness: \$4.72
- (Flex) Smartflex Admin: \$11.54
- (Flex) Life Insurance: \$43.05

Remaining Unspent Flex: \$2.69

Reimbursement: \$258.05

Change to Take-Home Pay: \$0



Bernardino: Age 30

SemiMonthly Flex Allowance: \$210.90

Total Café Premium: \$600.00

- Smartflex Benefits: \$552.92
- (Flex) Accident Plan: \$5.83
- (Flex) Hospital Indemnity: \$16.25
- (Flex) Smartflex Admin: \$25.00
- (Flex) Life Insurance: \$163.82

Remaining Unspent Flex: \$0

Reimbursement: \$552.92

Change to Take-Home Pay: \$0



Jarslov: Age 40

BiWeekly Flex Allowance: \$137.84

Total Café Premium: \$553.85

- Smartflex Benefits: \$515.04
- (Flex) Disability: \$15.74
- (Flex) Smartflex Admin: \$23.07
- (Flex) Life Insurance: \$95.00

Remaining Unspent Flex: \$4.03

Reimbursement: \$511.01

Change to Take-Home Pay: \$0

9/16/2019

Client:
Agent:

COMPANY NAME
SAMPLE



Proposal

This is a proposal for your company using Smartflex. It is based on data provided to us from said company.
Smartflex is not liable for data errors from said company.

Current Eligible Employees:	79
Non-Eligible Employees*:	0
Average Flex Dollars Per Eligible Employee Per Month:	\$291
Total Available Flex Dollars Annually:	\$325,415
Estimated Smarter Benefits Value (\$1200 per month per employee):	\$1,137,600
Estimated Catastrophic Coverage (Life Insurance) Value:	\$9,875,000
Estimated Employer Annual Tax Savings based on 100% Enrollment:	\$159,229
<i>Does not include workers compensation or unemployment savings. Administrative fee per employee per month is \$25.</i>	
Net Profit Adjustment @ 4% (equivalent to sales of):	\$3,980,713
Net Profit Adjustment @ 6% (equivalent to sales of):	\$2,653,808
Net Profit Adjustment @ 8% (equivalent to sales of):	\$1,990,356
Net Profit Adjustment @ 10% (equivalent to sales of):	\$1,592,285
Estimated Employer Annual Tax Savings based on 75% Enrollment:	\$119,421
<i>Does not include workers compensation or unemployment savings. Administrative fee per employee per month is \$25.</i>	
Net Profit Adjustment @ 4% (equivalent to sales of):	\$2,985,534
Net Profit Adjustment @ 6% (equivalent to sales of):	\$1,990,356
Net Profit Adjustment @ 8% (equivalent to sales of):	\$1,492,767
Net Profit Adjustment @ 10% (equivalent to sales of):	\$1,194,214

*Employees can fail eligibility because they already receive too many allowances; or because after the reduction of their gross by the wellness contribution, their net take-home is less than minimum wage; or their deductions reduce the employer's tax savings to less than \$1,101 annually.

Name	Pay Frequency Weekly Biweekly Monthly Semimonthly	GROSS PAY	Original TakeHome	New TakeHome Pay	Difference in Take-Home Pay	Total Employee Credits PP	Employer Savings Monthly	Employer Annual FICA Savings	Employer Smartflex Fee Monthly	Annual Employer Smartflex Expense	Smarter Benefits Premium	Smartflex Employee Fee PQ	Accident PQ	Critical Care PQ	Total PreQualified Smartflex Deduction	Allstate Life Post	ANICO Life Post	Under or Over Spent Flex	Unspent Flex Left in MERP	MERP = Smarter Benefits Premium- Unspent Flex
Employee 1	SEMIMONTHLY	\$3,296.00	\$2,223.31	\$2,223.31	\$0.00	\$149.40	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00		\$124.40	\$0.00	\$0.00	\$575.00
Employee 2	SEMIMONTHLY	\$3,125.00	\$2,225.29	\$2,225.29	\$0.00	\$149.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$510.83	\$25.00	\$0.00	\$64.17	\$600.00	\$60.73		\$0.00	\$0.00	\$510.83
Employee 3	SEMIMONTHLY	\$445.31	\$372.61	\$372.61	\$0.00	\$72.70	\$68.14	\$817.68	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$46.12		\$1.58	\$1.58	\$573.42
Employee 4	SEMIMONTHLY	\$2,135.00	\$1,437.69	\$1,437.69	\$0.00	\$78.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$53.90		\$0.00	\$0.00	\$575.00
Employee 5	SEMIMONTHLY	\$3,750.00	\$2,808.31	\$2,808.31	\$0.00	\$144.56	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$119.56		\$0.00	\$0.00	\$575.00
Employee 6	SEMIMONTHLY	\$2,084.00	\$1,410.61	\$1,410.61	\$0.00	\$147.92	\$91.80	\$1,101.60	\$25.00	\$300.00	\$565.55	\$25.00	\$9.45	\$0.00	\$600.00	\$113.47		\$0.00	\$0.00	\$565.55
Employee 7	SEMIMONTHLY	\$1,750.00	\$1,235.25	\$1,235.25	\$0.00	\$138.46	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$113.46		\$0.00	\$0.00	\$575.00
Employee 8	SEMIMONTHLY	\$1,400.00	\$1,176.79	\$1,176.79	\$0.00	\$118.97	\$91.80	\$1,101.60	\$25.00	\$300.00	\$558.13	\$25.00	\$0.00	\$16.87	\$600.00	\$77.10		\$0.00	\$0.00	\$558.13
Employee 9	SEMIMONTHLY	\$2,300.00	\$1,779.54	\$1,779.54	\$0.00	\$151.91	\$91.80	\$1,101.60	\$25.00	\$300.00	\$549.86	\$25.00	\$0.00	\$25.14	\$600.00	\$101.00		\$0.77	\$0.77	\$549.09
Employee 10	SEMIMONTHLY	\$2,324.00	\$1,691.30	\$1,691.30	\$0.00	\$120.66	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00		\$93.00	\$2.66	\$2.66	\$572.34
Employee 11	SEMIMONTHLY	\$1,800.00	\$1,096.99	\$1,096.99	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$562.79	\$25.00	\$12.21	\$0.00	\$600.00	\$0.00	\$110.69	\$0.00	\$0.00	\$562.79
Employee 12	SEMIMONTHLY	\$2,750.00	\$1,836.60	\$1,836.60	\$0.00	\$170.32	\$91.80	\$1,101.60	\$25.00	\$300.00	\$538.75	\$25.00	\$18.25	\$18.00	\$600.00	\$109.07		\$0.00	\$0.00	\$538.75
Employee 13	SEMIMONTHLY	\$1,408.00	\$1,027.85	\$1,027.85	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$536.95	\$25.00	\$7.07	\$30.98	\$600.00	\$84.85		\$0.00	\$0.00	\$536.95
Employee 14	SEMIMONTHLY	\$2,750.00	\$2,132.11	\$2,132.11	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$536.95	\$25.00	\$7.07	\$30.98	\$600.00	\$84.85		\$0.00	\$0.00	\$536.95
Employee 15	SEMIMONTHLY	\$1,075.00	\$882.76	\$882.76	\$0.00	\$119.61	\$91.80	\$1,101.60	\$25.00	\$300.00	\$554.21	\$25.00	\$12.21	\$8.58	\$600.00	\$73.20		\$0.62	\$0.62	\$553.59
Employee 16	SEMIMONTHLY	\$1,700.00	\$933.50	\$933.50	\$0.00	\$150.15	\$91.80	\$1,101.60	\$25.00	\$300.00	\$547.30	\$25.00	\$18.25	\$9.45	\$600.00	\$82.19		\$15.26	\$15.26	\$532.04
Employee 17	SEMIMONTHLY	\$1,628.00	\$1,189.71	\$1,189.71	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$122.90		\$0.00	\$0.00	\$575.00
Employee 18	SEMIMONTHLY	\$2,500.00	\$1,719.46	\$1,719.46	\$0.00	\$203.36	\$91.80	\$1,101.60	\$25.00	\$300.00	\$536.95	\$25.00	\$7.07	\$30.98	\$600.00	\$140.31		\$0.00	\$0.00	\$536.95
Employee 19	SEMIMONTHLY	\$1,408.00	\$1,104.55	\$1,104.22	-\$0.33	\$140.55	\$91.80	\$1,101.60	\$25.00	\$300.00	\$559.72	\$25.00	\$5.83	\$9.45	\$600.00	\$100.60		-\$0.33	\$0.00	\$559.72
Employee 20	SEMIMONTHLY	\$1,750.00	\$1,294.22	\$1,294.22	\$0.00	\$150.62	\$91.80	\$1,101.60	\$25.00	\$300.00	\$557.71	\$25.00	\$7.07	\$10.22	\$600.00		\$105.00	\$3.33	\$3.33	\$554.38
Employee 21	SEMIMONTHLY	\$2,500.00	\$1,541.74	\$1,541.74	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$122.90		\$0.00	\$0.00	\$575.00
Employee 22	SEMIMONTHLY	\$2,500.00	\$1,875.92	\$1,875.92	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$541.09	\$25.00	\$0.00	\$33.91	\$600.00	\$88.99		\$0.00	\$0.00	\$541.09
Employee 23	SEMIMONTHLY	\$2,500.00	\$1,973.30	\$1,973.30	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$551.27	\$25.00	\$23.73	\$0.00	\$600.00	\$99.17		\$0.00	\$0.00	\$551.27
Employee 24	SEMIMONTHLY	\$1,700.00	\$1,062.58	\$1,062.58	\$0.00	\$150.13	\$91.80	\$1,101.60	\$25.00	\$300.00	\$547.30	\$25.00	\$18.25	\$9.45	\$600.00	\$95.94		\$1.49	\$1.49	\$545.81
Employee 25	SEMIMONTHLY	\$2,500.00	\$1,838.63	\$1,838.63	\$0.00	\$212.10	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$184.08		\$3.02	\$3.02	\$571.98
Employee 26	SEMIMONTHLY	\$3,125.00	\$2,321.42	\$2,321.42	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$122.90		\$0.00	\$0.00	\$575.00
Employee 27	SEMIMONTHLY	\$1,800.00	\$1,235.90	\$1,235.90	\$0.00	\$150.43	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$54.43	\$71.00	\$0.00	\$0.00	\$575.00
Employee 28	SEMIMONTHLY	\$3,000.00	\$1,854.42	\$1,854.42	\$0.00	\$149.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00			\$600.00		\$124.90	\$0.00	\$0.00	\$575.00
Employee 56	SEMIMONTHLY	\$1,700.00	\$1,223.08	\$1,223.08	\$0.00	\$124.50	\$91.80	\$1,101.60	\$25.00	\$300.00	\$558.13	\$25.00	\$0.00	\$16.87	\$600.00	\$82.63		\$0.00	\$0.00	\$558.13
Employee 57	SEMIMONTHLY	\$2,100.00	\$1,549.50	\$1,549.50	\$0.00	\$170.99	\$91.80	\$1,101.60	\$25.00	\$300.00	\$544.02	\$25.00	\$0.00	\$30.98	\$600.00	\$115.01		\$0.00	\$0.00	\$544.02
Employee 58	SEMIMONTHLY	\$2,400.00	\$1,749.47	\$1,749.47	\$0.00	\$159.69	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00			\$600.00		\$134.69	\$0.00	\$0.00	\$575.00
Employee 59	SEMIMONTHLY	\$2,334.00	\$1,577.51	\$1,574.09	-\$3.42	\$175.91	\$91.80	\$1,101.60	\$25.00	\$300.00	\$567.93	\$25.00	\$7.07	\$0.00	\$600.00	\$147.26		-\$3.42	\$0.00	\$567.93
Employee 60	SEMIMONTHLY	\$6,931.68	\$4,660.73	\$4,660.73	\$0.00	\$211.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00		\$183.00	\$3.90	\$3.90	\$571.10
Employee 61	SEMIMONTHLY	\$750.00	\$660.79	\$660.79	\$0.00	\$77.73	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$52.10		\$0.63	\$0.63	\$574.37

Total Flex Allowance Available: \$325,415.00
 Total Flex Allowance Spent: \$213,162.72
 Average Per Employee Monthly: \$291.21

Employer Monthly Admin Fee: \$1,525.00
 Employer Annual Admin Fee: \$18,300.00
 Employer Monthly FICA Savings: \$5,576.14
 Employer Annual FICA Savings: \$66,913.68

Total Employees Enrolled: 61
 Total Employees Eligible: 79
 Percentage Enrolled: 77%

Funds Left in MERP Per PP: \$70.23
 Annual Funds Left in MERP: \$1,685.52
 Total Employer Provided Benefit: \$820,125.84

Name	Pay Frequency Weekly Biweekly Monthly Semimonthly	GROSS PAY	Original TakeHome	New TakeHome Pay	Difference in Take-Home Pay	Total Employee Credits PP	Employer Savings Monthly	Employer Annual FICA Savings	Employer Smartflex Fee Monthly	Annual Employer Smartflex Expense	Smarter Benefits Premium	Smartflex Employee Fee PQ	Accident PQ	Critical Care PQ	Total PreQualified Smartflex Deduction	Allstate Life Post	ANICO Life Post	Under or Over Spent Flex	Unspent Flex Left in MERP	MERP = Smarter Benefits Premium- Unspent Flex
Employee 1	SEMIMONTHLY	\$3,296.00	\$2,223.31	\$2,223.31	\$0.00	\$149.40	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00		\$124.40	\$0.00	\$0.00	\$575.00
Employee 2	SEMIMONTHLY	\$3,125.00	\$2,225.29	\$2,225.29	\$0.00	\$149.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$510.83	\$25.00	\$0.00	\$64.17	\$600.00	\$60.73		\$0.00	\$0.00	\$510.83
Employee 3	SEMIMONTHLY	\$445.31	\$372.61	\$372.61	\$0.00	\$72.70	\$68.14	\$817.68	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$46.12		\$1.58	\$1.58	\$573.42
Employee 4	SEMIMONTHLY	\$2,135.00	\$1,437.69	\$1,437.69	\$0.00	\$78.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$53.90		\$0.00	\$0.00	\$575.00
Employee 5	SEMIMONTHLY	\$3,750.00	\$2,808.31	\$2,808.31	\$0.00	\$144.56	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$119.56		\$0.00	\$0.00	\$575.00
Employee 6	SEMIMONTHLY	\$2,084.00	\$1,410.61	\$1,410.61	\$0.00	\$147.92	\$91.80	\$1,101.60	\$25.00	\$300.00	\$565.55	\$25.00	\$9.45	\$0.00	\$600.00	\$113.47		\$0.00	\$0.00	\$565.55
Employee 7	SEMIMONTHLY	\$1,750.00	\$1,235.25	\$1,235.25	\$0.00	\$138.46	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$113.46		\$0.00	\$0.00	\$575.00
Employee 8	SEMIMONTHLY	\$1,400.00	\$1,176.79	\$1,176.79	\$0.00	\$118.97	\$91.80	\$1,101.60	\$25.00	\$300.00	\$558.13	\$25.00	\$0.00	\$16.87	\$600.00	\$77.10		\$0.00	\$0.00	\$558.13
Employee 9	SEMIMONTHLY	\$2,300.00	\$1,779.54	\$1,779.54	\$0.00	\$151.91	\$91.80	\$1,101.60	\$25.00	\$300.00	\$549.86	\$25.00	\$0.00	\$25.14	\$600.00	\$101.00		\$0.77	\$0.77	\$549.09
Employee 10	SEMIMONTHLY	\$2,324.00	\$1,691.30	\$1,691.30	\$0.00	\$120.66	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00		\$93.00	\$2.66	\$2.66	\$572.34
Employee 11	SEMIMONTHLY	\$1,800.00	\$1,096.99	\$1,096.99	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$562.79	\$25.00	\$12.21	\$0.00	\$600.00	\$0.00	\$110.69	\$0.00	\$0.00	\$562.79
Employee 12	SEMIMONTHLY	\$2,750.00	\$1,836.60	\$1,836.60	\$0.00	\$170.32	\$91.80	\$1,101.60	\$25.00	\$300.00	\$538.75	\$25.00	\$18.25	\$18.00	\$600.00	\$109.07		\$0.00	\$0.00	\$538.75
Employee 13	SEMIMONTHLY	\$1,408.00	\$1,027.85	\$1,027.85	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$536.95	\$25.00	\$7.07	\$30.98	\$600.00	\$84.85		\$0.00	\$0.00	\$536.95
Employee 14	SEMIMONTHLY	\$2,750.00	\$2,132.11	\$2,132.11	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$536.95	\$25.00	\$7.07	\$30.98	\$600.00	\$84.85		\$0.00	\$0.00	\$536.95
Employee 15	SEMIMONTHLY	\$1,075.00	\$882.76	\$882.76	\$0.00	\$119.61	\$91.80	\$1,101.60	\$25.00	\$300.00	\$554.21	\$25.00	\$12.21	\$8.58	\$600.00	\$73.20		\$0.62	\$0.62	\$553.59
Employee 16	SEMIMONTHLY	\$1,700.00	\$933.50	\$933.50	\$0.00	\$150.15	\$91.80	\$1,101.60	\$25.00	\$300.00	\$547.30	\$25.00	\$18.25	\$9.45	\$600.00	\$82.19		\$15.26	\$15.26	\$532.04
Employee 17	SEMIMONTHLY	\$1,628.00	\$1,189.71	\$1,189.71	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$122.90		\$0.00	\$0.00	\$575.00
Employee 18	SEMIMONTHLY	\$2,500.00	\$1,719.46	\$1,719.46	\$0.00	\$203.36	\$91.80	\$1,101.60	\$25.00	\$300.00	\$536.95	\$25.00	\$7.07	\$30.98	\$600.00	\$140.31		\$0.00	\$0.00	\$536.95
Employee 19	SEMIMONTHLY	\$1,408.00	\$1,104.55	\$1,104.22	-\$0.33	\$140.55	\$91.80	\$1,101.60	\$25.00	\$300.00	\$559.72	\$25.00	\$5.83	\$9.45	\$600.00	\$100.60		-\$0.33	\$0.00	\$559.72
Employee 20	SEMIMONTHLY	\$1,750.00	\$1,294.22	\$1,294.22	\$0.00	\$150.62	\$91.80	\$1,101.60	\$25.00	\$300.00	\$557.71	\$25.00	\$7.07	\$10.22	\$600.00		\$105.00	\$3.33	\$3.33	\$554.38
Employee 21	SEMIMONTHLY	\$2,500.00	\$1,541.74	\$1,541.74	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$122.90		\$0.00	\$0.00	\$575.00
Employee 22	SEMIMONTHLY	\$2,500.00	\$1,875.92	\$1,875.92	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$541.09	\$25.00	\$0.00	\$33.91	\$600.00	\$88.99		\$0.00	\$0.00	\$541.09
Employee 23	SEMIMONTHLY	\$2,500.00	\$1,973.30	\$1,973.30	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$551.27	\$25.00	\$23.73	\$0.00	\$600.00	\$99.17		\$0.00	\$0.00	\$551.27
Employee 24	SEMIMONTHLY	\$1,700.00	\$1,062.58	\$1,062.58	\$0.00	\$150.13	\$91.80	\$1,101.60	\$25.00	\$300.00	\$547.30	\$25.00	\$18.25	\$9.45	\$600.00	\$95.94		\$1.49	\$1.49	\$545.81
Employee 25	SEMIMONTHLY	\$2,500.00	\$1,838.63	\$1,838.63	\$0.00	\$212.10	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$184.08		\$3.02	\$3.02	\$571.98
Employee 26	SEMIMONTHLY	\$3,125.00	\$2,321.42	\$2,321.42	\$0.00	\$147.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$122.90		\$0.00	\$0.00	\$575.00
Employee 27	SEMIMONTHLY	\$1,800.00	\$1,235.90	\$1,235.90	\$0.00	\$150.43	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$54.43	\$71.00	\$0.00	\$0.00	\$575.00
Employee 28	SEMIMONTHLY	\$3,000.00	\$1,854.42	\$1,854.42	\$0.00	\$149.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00			\$600.00		\$124.90	\$0.00	\$0.00	\$575.00
Employee 56	SEMIMONTHLY	\$1,700.00	\$1,223.08	\$1,223.08	\$0.00	\$124.50	\$91.80	\$1,101.60	\$25.00	\$300.00	\$558.13	\$25.00	\$0.00	\$16.87	\$600.00	\$82.63		\$0.00	\$0.00	\$558.13
Employee 57	SEMIMONTHLY	\$2,100.00	\$1,549.50	\$1,549.50	\$0.00	\$170.99	\$91.80	\$1,101.60	\$25.00	\$300.00	\$544.02	\$25.00	\$0.00	\$30.98	\$600.00	\$115.01		\$0.00	\$0.00	\$544.02
Employee 58	SEMIMONTHLY	\$2,400.00	\$1,749.47	\$1,749.47	\$0.00	\$159.69	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00			\$600.00		\$134.69	\$0.00	\$0.00	\$575.00
Employee 59	SEMIMONTHLY	\$2,334.00	\$1,577.51	\$1,574.09	-\$3.42	\$175.91	\$91.80	\$1,101.60	\$25.00	\$300.00	\$567.93	\$25.00	\$7.07	\$0.00	\$600.00	\$147.26		-\$3.42	\$0.00	\$567.93
Employee 60	SEMIMONTHLY	\$6,931.68	\$4,660.73	\$4,660.73	\$0.00	\$211.90	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00		\$183.00	\$3.90	\$3.90	\$571.10
Employee 61	SEMIMONTHLY	\$750.00	\$660.79	\$660.79	\$0.00	\$77.73	\$91.80	\$1,101.60	\$25.00	\$300.00	\$575.00	\$25.00	\$0.00	\$0.00	\$600.00	\$52.10		\$0.63	\$0.63	\$574.37

Total Flex Allowance Available: \$325,415.00
 Total Flex Allowance Spent: \$213,162.72
 Average Per Employee Monthly: \$291.21

Employer Monthly Admin Fee: \$1,525.00
 Employer Annual Admin Fee: \$18,300.00
 Employer Monthly FICA Savings: \$5,576.14
 Employer Annual FICA Savings: \$66,913.68

Total Employees Enrolled: 61
 Total Employees Eligible: 79
 Percentage Enrolled: 77%

Funds Left in MERP Per PP: \$70.23
 Annual Funds Left in MERP: \$1,685.52
 Total Employer Provided Benefit: \$820,125.84