YOUR HEALTHCARE BENEFITS

OVERVIEW OF PNC BENEFIT PLUS SUBSTANTIATION REQUIREMENTS



When you complete a transaction using funds from your Flexible Spending Account (FSA) or Health Reimbursement Arrangement (HRA), you may be required to submit receipts to substantiate that the costs incurred are for eligible expenses.

This overview provides an explanation of the process PNC BeneFit Plus follows in order to meet the Internal Revenue Service (IRS) substantiation requirements.

Why Is Substantiation Required?

Because FSA and HRA accounts are tax-advantaged, the IRS has established specific guidelines that require all transactions — even those made using a payment card — to be substantiated to verify that the purchase was an eligible expense.

To help meet IRS guidelines and avoid adverse tax consequences, the PNC Health Account Services Claims Team is diligent in the execution of the substantiation process.

It is a common misconception that any claim at a doctor, dentist or vision provider will not require documentation or that approval of a debit card transaction is equivalent to substantiation. Because not all services from a medical provider or pharmacy are eligible medical expenses, receipts may still be required to verify eligibility. For example, a dentist may perform teeth whitening, which is not eligible for reimbursement.

Substantiation Process

All purchases made using your FSA or HRA account must be substantiated. While most PNC BeneFit Plus debit card transactions may be auto-substantiated, receipts or other documentation may be required to confirm transactions were for qualifying expenses.

Auto-Substantiation:
Purchases will be initially routed to check if the claim can be substantiated automatically. Examples include, but are not limited to:

- **Copay matching:**
  Charges that exactly match the dollar amount, or up to 5 times the dollar amount, for a copay under your employer's insurance plan. For example, a $20 charge at a doctor's office or up to a $100 charge on a plan with a $20 copay.
- **Recurring claims:**
  Charges that exactly match the provider and dollar amount for a previously approved and substantiated transaction. For example, a fixed monthly orthodontia payment.
- **Real-time substantiation:**
  Charges that are verified as eligible expenses by the merchant, service provider or other third-party vendor. For example, a grocery store substantiates an approved purchase by cross-checking it with a database of qualified expenses.

> IRS rules require that all FSA and HRA claims be substantiated.

Manual Substantiation:
If a debit card purchase does not qualify for auto-substantiation, it must be manually substantiated with receipts or other documentation. Examples include, but are not limited to:

- Doctor, dentist and other provider visits where the amount paid is not within the copay-matching range or does not match a database of approved expenses.
- Prescription and over-the-counter drug transactions with at least one of the following issues:
  - The amount paid is not equal to the copay
  - A prescription is required but the merchant cannot enter it at the point of sale
  - The merchant is unable to cross-check the purchase with a database of qualified expenses

Making Substantiation Simpler

A database system mandated by the federal government makes it easier for plan participants to manage their over-the-counter and pharmacy expenses.

Using the Inventory Information Approval System (IIAS), merchants who have implemented the system are able to automatically substantiate purchases at the point of sale. Using this database, the merchant can cross-check your purchase against eligible healthcare expenses and limit FSA and HRA card payments to eligible items only.

All supermarkets, grocery stores, department stores and wholesale clubs are required to implement the IIAS merchant program or they cannot accept benefit payment cards.

Saving Receipts and Documentation

To meet the IRS requirements, you should save your explanations of benefits (EOBs) and itemized receipts from every HSA/FSA/HRA transaction and all of the documentation you receive from healthcare, pharmacy or dental providers. The PNC Expense Tracker is an excellent option to securely upload and categorize receipts or EOBs for easy retrieval. **Please Note**: Credit card receipts and canceled checks are not acceptable substantiation documents.

All receipts or documentation must include the following information:

- Name of person who incurred the service or expense
- Name and address of the provider or merchant
- Date service or expense was incurred
- Detailed description of the service or expense
- Amount charged for the service or expense

One exception is for over-the-counter and prescription items, which do not need to include the person's name but must display the name of the item.

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Available on the App Store

Google play

1. Go to the App Store® or Google Play™
2. Search for "PNC BeneFit Plus"
3. Download the PNC BeneFit Plus Mobile App

Save itemized receipts and supporting documentation for all healthcare services, even when you paid with the PNC BeneFit Plus debit card.

Completing Manual Substantiation

If a receipt is required, you will be notified by email or a reminder letter. You may also see if a claim requires documentation in the Message Center on the PNC BeneFit Plus Consumer Portal or Mobile App.

If you receive a request to provide documentation for a claim, follow these easy steps:

1. Log into the PNC BeneFit Plus Mobile App or the Consumer Portal at **www.participant.pncbenefitplus.com**.
2. Look for the flagged claim(s) that require documentation.
3. Follow the instructions to submit your documentation via upload, fax or postal mail. The Mobile App allows you to use your device's camera to take a picture of your receipt for easy upload.

Ready to Help

For questions concerning receipt requirements, contact PNC BeneFit Plus Consumer Services at **844-356-9993** or by email at **pncbenefitplus@healthaccountservices.com**

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