

Aflac Now CardSM

Helpful Tips and Guidelines



Welcome to Aflac Flex One[®], a leading provider of cafeteria plan services! We are excited to offer you the Aflac Now Card as a faster and more seamless method for your employees to receive their pre-tax contributions. The following are a list of helpful tips and guidelines that will provide peace of mind for you and your employees when using the Aflac Now Card:

As the Plan Administrator, do we need to pre-fund a checking account since our employees use Aflac Now Card to recoup their contributions? Yes, we suggest that two payroll deductions from all participating employees be deposited into a non-interest bearing checking account prior to the beginning of your plan year. This amount will help serve any immediate Aflac Now Card transactions that are made at the commencement of the plan year. For example: If Jane Doe has an Annual Election of \$3500 and she is on a semi-monthly payroll (26 deductions), her deduction amount would be \$134.62. You would then pre-fund the bank account by two of those deductions ($\$134.62 \times 2 = \269.24) for each participating employee. As the employer, you have the available option to deposit more if you choose.

Why is it important for us to have our bank account pre-funded? You will receive an e-mail notification advising of the previous night's approved payment card transactions. Those funds will be pulled from your bank account daily. If funds are not available in your bank account at the time of retrieval, you will be contacted by our department. After the third attempt to retrieve funds with no success, all payment cards will be temporarily suspended. It is also important to keep this account funded properly because each participating employee now has two means of receiving reimbursement. They have the traditional way of submitting a claim form with receipts and they are now able to use their Aflac Now Card. This increases the possibility for the employee's Annual Election to be exhausted earlier in the year.

When will my employees receive their Aflac Now Card? Once the enrollment process is complete for the plan year, you will receive your payment card within 20 mailing days.

Will the Aflac Now Card come in an Aflac envelope vial the mail? The card will be mailed First Class to each cardholder. However, it will come in a plain white envelope with only Aflac's return address printed on the outside. Please make sure that your employees are aware of this to ensure the receipt of their Aflac Now Card.

How is the Aflac Now Card activated? The card will be activated upon the first time it is swiped for an eligible expense at an approved health care service provider.

Can the Aflac Now Card be used at any store as a credit or debit? The Aflac Now Card is defined as a payment card rather than a credit or debit card. It is not a credit card because it is not charging a balance that is owed by the cardholder and in turn charged interest. It is also not a debit card as it does not withdraw from the cardholder's personal checking/savings account and it does not have a pin number. It is simply a payment card that provides the cardholder direct access to their pre-tax contributions.

Can the Aflac Now CardSM be used at any merchant? While the transactions of the Aflac Now Card are supported by MasterCard[®] it does not ensure that the card can be used wherever MasterCard is accepted. The Aflac Now Card was designed to be used solely for out-of-pocket medical expenses only. Aflac has taken steps to control where the card can be used. The card may only be used at merchants with a valid health care Merchant Category Code to include pharmacies and drug stores. A Merchant Category Code (MCC) is a special code assigned to each merchant by MasterCard that identifies the type of merchant. For example, the card cannot be used at pharmacies inside a grocery store or department store unless that pharmacy has a separate MCC that identifies it specifically as a pharmacy.

Can the Aflac Now Card be used for transactions during the Grace Period? No, the card will not work on transactions made during the Grace Period that occur at the end of each plan year. The transactions that occur during the 2 month 15 day timeframe must be submitted on the Request for Reimbursement Form along with the necessary receipts attached and submitted via fax to the Aflac Benefit Services[®] Claims Department at 1-877-953-9256.

With each transaction that our employees make with their Aflac Now Card, are they still required to submit receipts for each of those transactions? Yes, they are still required to submit receipt substantiation for each transaction. Although the card swipe has cleared at the time of the transaction, the receipt(s) must still be submitted to Aflac for verification purposes as required by IRS Regulations.

What occurs when receipts are not submitted following each payment card transaction? If receipts are not submitted within 14 days, the cardholder will receive a letter requesting them. If after a total of **60 days** no receipts have been submitted then the participant's card will be temporarily suspended until the requested substantiation has been provided.

Whose responsibility is it to provide Aflac with correct substantiation for each payment card transaction(s)? That responsibility belongs to the cardholder. The misconception is that since a payment card is being used, substantiation is no longer required to submit. According to IRS Regulations, the use of a payment card for out-of-pocket medical expenses under the Health Flexible Spending Account does not nullify receipts or substantiation to compensate for those transactions.

What happens if the payment card swipe approves on a transaction that is ineligible? The transaction will be posted as an 'overpayment' on the cardholder's account. The cardholder can offset the overpayment amount by two different means. They can either (1) submit an eligible claim(s) to compensate for the overpaid amount or they can (2) write their employer a check for the overpayment amount. The employer would then deposit that money back into the checking account from where the payment card swipe pulled from. The employer would then need to notify Aflac Benefit Services via mail or fax of the offset so that we could update the account balance for that cardholder.

How can my employees check the available balance on their Aflac Now Card? Cardholders can obtain this information by either contacting a customer service with Aflac Benefit Services at 1-800-353-5391 or by checking the monthly Activity Statement that we distribute to them.

We value you as an Aflac customer, and if we may be of further assistance, please do not hesitate to call us toll-free at 1-800-323-5391. Our customer service representatives are here to assist you Monday – Friday from 8:00 a.m. to 7:00 p.m. Eastern Standard Time.