

Important Changes to your upcoming Section 125 Flexible Spending Account (FSA) Renewal

We are changing our FSA plan year from the current calendar year format of January 1-December 31 to a plan year of May 1-April 30. In order to transition from the current plan year to the new plan year, our FSA plan will be operating on a "short plan year", starting January 1, 2012 and ending April 30, 2012

Why are we doing this?

We feel it is important that you experience one Open Enrollment for all of your benefits. Starting in the Spring of 2012, your Medical, Dental and FSA Open Enrollment will take place during the same time. This creates a more consolidated process and ultimately allows our employees to make the best educated decisions on their elections.

The fall and early winter is also our busiest time of year. In order to devote the necessary resources to enhance your Open Enrollment experience, we are moving the FSA plan anniversary date to the spring time to allow us to help make the Open Enrollment more successful.

What is a short plan year?

A short plan year is a transitional period of less than 12 months that acts as a bridge between the current plan year and the new plan year. This fall, when you make your FSA elections, these elections will only last for the four month short plan year.

What does this mean for you?

The first Open Enrollment will be for the upcoming short plan year January 1, 2012– April 30, 2012. The maximum amount you can elect to enroll in the Health FSA is \$1,200. The maximum amount you can elect to enroll in the Dependent Care FSA is \$2,500. Remember the short plan year is only four months. When calculating your annual election amount please remember to divide the total amount you want to elect by the appropriate number of pay cycles in a four month period.

You will experience another Open Enrollment in the spring for your May 1, 2012-April 30, 2012 plan year. This new plan year will cover an entire 12 month period, so your annual election amount will now be divided by the appropriate number of pay cycles in a twelve month period.

As part of the Health Care Reform Act, the maximum amount you can enroll in for the Health FSA is \$2,500. This rule is effective for plan years beginning May 1, 2012.



P&A Group Customer Service

Extended customer service hours are Monday- Friday, 8:30 am- 8:00 pm EST.
(800) 688-2611.
www.padmin.com

Employer Services Corporation

Benefits Department
(716) 932-6870
benefits@myesc.com



January 2012 Section 125 Flexible Spending Account Open Enrollment

Employer Services Corporation
Telephone: (716) 691-4455
Fax: (716) 250-6626
20 Pineview Dr.
Amherst, NY 14228

Section 125 (Flexible Spending Account)

A flexible spending account allows you to pay for certain IRS qualified medical expenses on a pre-tax basis, expenses you probably already pay for out of your own pocket after tax!

The flexible spending accounts available:

Health Care Account – allows for co-pays and any non-covered medical, dental or vision expenses. Debit card is front loaded with annual amount.

Dependent Care Account – childcare or elder-care expenses. Claims can only be submitted against the amount already deposited.

Individual Premium Account – any non-employer sponsored medical premiums can be pre-taxed through this account. Claims can only be submitted against the amount already deposited.

Adoption Assistance Account – allows for most expenses that are required for the adoption of a child or children including legal, medical and travel expenses. Claims can only be submitted against the amount already deposited.

Note: If you are interested in enrolling, you must re-enroll each year

- All existing debit cards remain active for 3 calendar years
- Employees new to the plan AND those with cards expiring in 2012 will receive new cards following enrollment
- Enrollment instructions are available at www.myesc.com/oe
- Employees must enroll through the P&A website
- **All enrollments are due by November 18, 2011**

Voluntary Benefits

ESC offers voluntary benefits through **Allstate** including:

- **Short Term Disability (Employee and Spousal Coverage):** Provides income if you become disabled due to sickness, accident or pregnancy. STD pays in addition to NYS disability payments.
- **Life Insurance (Individual and/or Family):** Term and universal. Premiums are affordable and there are **no physicals or medical exams required!**
- **Accident Insurance (Individual or Family):** Pays in addition to any other major medical group benefits.
- **Critical Illness & Cancer Insurance (Individual or Family):** To help cover the personal costs associated with certain treatments. This plan pays in addition to your regular major medical plan.

If you have question or would like additional materials please contact the ESC Benefits Department at 716-932-6870 or benefits@myesc.com

OR

If you are ready to enroll, contact Tish Johnson from National Enrollment Services at 1-800-966-6637 referencing case #NG534

Credit Union Membership

Take advantage of a credit union membership for banking, loans and more because of your relationship with ESC!



Western Division Federal Credit Union
www.westerndivision.org

Tel: (716) 632-9328
Toll Free: (800) 632-9328
Fax: (716) 632-1383

Two convenient locations:

6750 Main Street, Williamsville, NY 14221
15 West 6th Street, Dunkirk, NY 14048



Section 125 Timeline for Open Enrollment

Date	What to expect
Beginning Oct. 2011	Initial notification sent out to employees with their paychecks
Friday, Oct. 14, 2011	Online enrollment instructions and additional information will be available at www.myesc.com/oe
By Friday, Oct. 21, 2011	Current participants in the ESC Section 125 plan (Flexible Spending Accounts) will be sent information and electronic enrollment instructions to their homes
Friday, Nov. 4, 2011	Open House from 12:00pm - 5:00pm at ESC
Tuesday, Nov. 8, 2011	Open House from 12:00pm – 6:00pm at ESC
Thursday, Nov. 10, 2011	Open House from 12:00pm – 5:00pm at ESC *Open Houses will be held to answer questions and assist with the online enrollment process. Computers will be available to enroll.*
Friday, Nov. 18, 2011	Section 125 Plan (Flexible Spending Accounts) Enrollment Deadline. Online Enrollment MUST be completed by this date.
Sunday, Jan. 1, 2012	The 2012 Section 125 plan year begins

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Email: benefits@myesc.com
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