

Receipts and Debit Card Substantiation

IRS Rules Govern Substantiation Requirements

The IRS established specific guidelines that require all Flexible Spending Account (FSA) transactions — even those made using a debit card — to be substantiated (verified that the purchase was an eligible medical expense). GDI is very diligent in the execution of the substantiation process to avoid adverse tax consequences to participants.

Common Misconceptions about Receipt Requirements

1. If the card is used for an eligible service, no further receipts or documentation are needed to support the expense.
2. Transactions at any doctor, dentist or vision provider will not require receipts.

These statements are **NOT TRUE!** Since not all services from a provider are eligible expenses, itemized receipts are required to verify eligibility. For example, a dentist may perform teeth whitening, which is not eligible for reimbursement.

Always Save Itemized Receipts

Participants should save their itemized receipts from every card transaction. Receipts can be uploaded to the Participant Portal from GDI's App using the camera on your mobile device! Otherwise, participants should designate an envelope or folder to store documentation in their personal files. Using this process will help find documentation if requested.

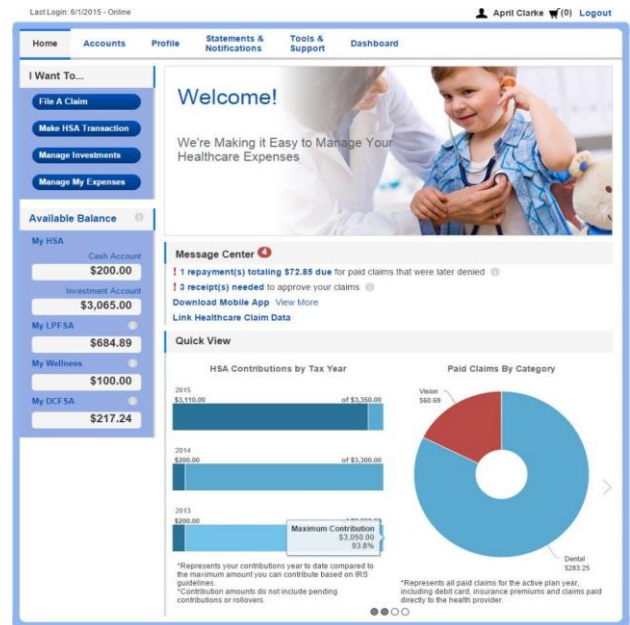
An itemized receipt includes:

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

Credit card receipts and cancelled checks are not acceptable!

Requests for Substantiation

If substantiation of a debit card transaction is required, participants will be notified by email or an alert on the Participant Portal home page. Card transactions that require substantiation are displayed through messages in both the Message Center on the home page and their account summary page. Employees may also see if a claim requires substantiation by logging into their online account or mobile app to check the status of the claim.



Type of Charge on Debit Card	Substantiation Required	No Follow-Up Required
Matched Co-pays		✓
Transactions at merchants who can electronically validate the expense at the point of sale		✓
Recurring Expenses	1 time only (annually)	No further substantiation required if subsequent transactions are at the same merchant for the same dollar amount
Dental Care	✓	
Vision Care	✓	
Medical Care	✓	