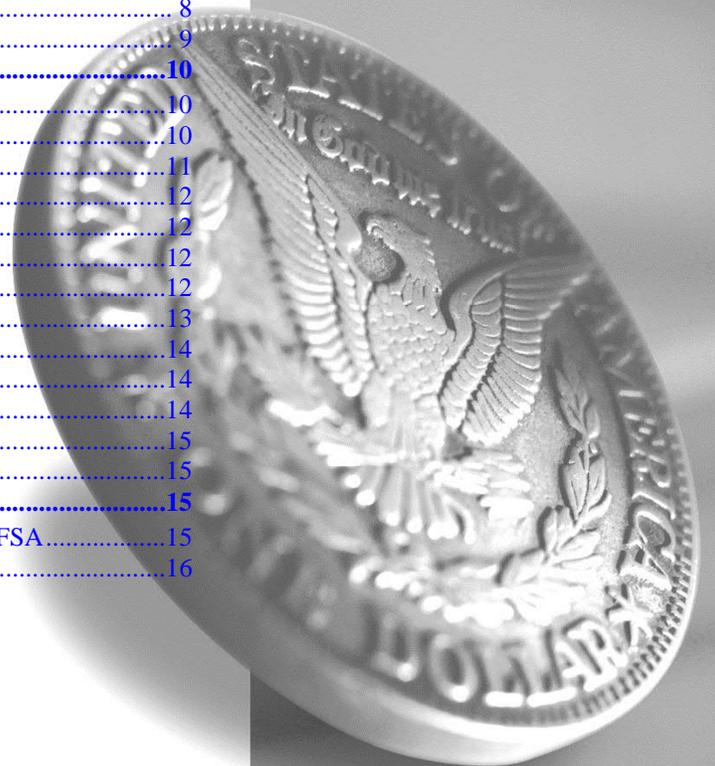


Flexible Spending Accounts

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THE FLEXIBLE SPENDING ACCOUNT PROGRAM

TERMS

Terms that are defined in the Glossary of this SPD are bolded and capitalized when they first appear in the text; thereafter, they will be capitalized wherever used in the text. See the Glossary section for more information.

The Flexible Spending Account (FSA) Program allows you to pay eligible health care and dependent day care Expenses with pre-tax dollars. Three accounts are available to you:

- Health Care FSA;
- Limited Use Health Care FSA (Limited Use FSA). If you are enrolled in the Allstate Medical Savings Plan or the Allstate Medical Value Plan, the only health care FSA account available to you is the Limited Use FSA. For purposes of the Limited Use FSA, Eligible Expenses only include eligible Dental and Vision expenses; and
- Dependent Day Care FSA.

NOTE

Employees in Puerto Rico are not eligible to participate in the FSA Program.

You make contributions to the accounts each pay period through payroll deductions. These deductions are generally taken before federal income taxes and employment taxes, thus reducing your taxable income. When you, your spouse or your dependent has Eligible Expenses, you can submit them for reimbursement. If you contribute at least \$150 per Plan Year to a traditional Health Care FSA, you may also use your FSA Card to pay for certain eligible Health Care FSA Expenses at the time of service or purchase.

Participation in the FSA Program requires an annual election. When you enroll, you choose how much you want to contribute for the Plan Year. Plan carefully when making your election. Keep the following rules in mind when calculating how much you want to contribute:

- If you contribute more than you claim for reimbursement in the Plan Year, any unused amount in your account will be forfeited.
- Changes to your participation in, or contributions to, either the Health Care FSA or the Limited Use FSA during the Plan Year cannot be made as the result of a Qualified Change in Status, unless the Qualified Change in Status is going on a leave of absence. When going on a leave, the participant may drop participation in his or her Health Care FSA or Limited Use FSA, but cannot change election amounts.
- If you change to a high deductible plan mid-year and are enrolled in a Health Care FSA, your Health Care FSA will remain a full use FSA for the remainder of the year.
- Changes to your participation in, or contributions to, the Dependent Day Care FSA during the year may be made if you experience a Qualified Change in Status. Since claim reimbursements for Dependent Day Care Expenses are based on funds available from payroll deductions, refunds will not be given when your change in contribution amount is less than what has been deducted through payroll.
- Funds cannot be transferred between your Health Care FSA and/or Limited Use FSA, and/or Dependent Day Care FSA.

You must incur Expenses by December 31 of the Plan Year in which you make deposits in order to have the Expenses reimbursed under the FSA accounts for that Plan Year. However, you may file your claim for reimbursement up to March 31 (postmarked) of the following Plan Year.

CONTRIBUTIONS TO YOUR FSA ACCOUNT(S)

Account Minimums and Maximums

You can contribute:

- a minimum of \$130 per Plan Year in each type of account; but
- up to \$2,650 per Plan Year for the Health Care FSA or Limited Use FSA (even if your spouse contributes the maximum to his/her employer's health care spending account plan); and
- up to \$5,000 per Plan Year for the Dependent Day Care FSA. However, if your spouse contributes to a dependent day care spending account plan where he or she works, the two of you combined can contribute no more than \$5,000 each year in both of your accounts combined. In addition, if you are married and file separate income tax returns, you can only contribute up to a maximum of \$2,500.

The maximum amount payable for dependent day care Expenses is limited to your earned income, or if you are married, to the lesser of your own earned income or your spouse's earned income. Earned income means the wages or salary you (or your spouse) receive, minus pre-tax contributions made to certain benefit plans or to the FSA Program.

In most instances, both you and your spouse must work or be looking for work to be able to use the Dependent Day Care FSA. However, if your spouse is a full-time student or is mentally or physically incapable of self-care, special rules apply. For each month that such a condition exists, your spouse is considered to have earned income of:

- \$250 if you have one eligible dependent; or
- \$500 if you have more than one eligible dependent.

Definition of a Dependent

Under the FSA Program, your dependents are those who qualify, in the current Plan Year for which you are enrolled, for dependent status as defined by the Internal Revenue Code (Code). Generally, your dependents under the Code are those individuals who are:

- a "qualifying child" (your children, your brothers or sisters, or their descendants) who live with you for more than half the year and have not yet turned age 26; or
- a "qualifying relative" (persons who bear a specified relationship to you, such as a parent, grandparent, child, brother or sister, or any of their descendants, or unrelated persons who live with you) if they receive over half of their support from you.

All dependents must satisfy the requirements for a tax credit on your federal income tax return.

To determine whether an individual meets the requirements of a "qualifying child" or "qualifying relative" under the Code, please contact a qualified tax advisor.

THE ADVANTAGE OF PRE-TAX CONTRIBUTIONS

The FSA Program allows you to have an amount of money taken out of your paycheck before certain taxes are calculated. This reduces your gross pay for W-2 purposes, which may lower your taxable income and your taxes.

Your contributions to the FSA Program are not subject to:

- federal income taxes;
- state income taxes in most states;
- some local income taxes; and
- Social Security and Medicare (FICA) taxes.

The taxability of FSA contributions will be handled in compliance with the tax regulation of the respective tax body.

Coordinating Spending Account Savings with Income Tax Deductions

You have a choice. With allowable medical, dental and vision costs, you can pay Eligible Expenses with pre-tax dollars through your Health Care FSA or you may be able to pay these costs with after-tax dollars and take a tax deduction for the costs on your income tax return. With allowable dental and vision costs while enrolled in the Allstate Medical Savings Plan, you can pay Eligible Expenses with pre-tax dollars through your Limited Use FSA or you may be able to pay these costs with after-tax dollars and take a tax deduction for the costs on your income tax return. Similarly, with dependent day care allowable costs, you can either pay these Eligible Expenses with pre-tax dollars through your Dependent Day Care FSA or pay the costs with after-tax dollars and get a tax credit for a portion of the costs on your income tax return. The method that produces the greatest tax savings for you depends on your personal situation. What follows are some general guidelines to keep in mind as you make your decisions. For specific information on the best method for you, please contact a qualified tax advisor.

NOTE

You cannot have the same Eligible Expenses paid through the FSA Program and take the tax deduction or credit.

Certain Expenses may be ineligible for reimbursement under the Health Care FSA or Limited Use FSA but may still be deductible for federal income tax purposes.

Medical, Dental, and Vision Income Tax Deductions

Allowable medical, dental, and vision costs are tax-deductible on your federal income tax return to the extent they exceed 7.5% of your adjusted gross income. However, when you are reimbursed for Eligible Expenses under the Health Care FSA (or eligible dental or vision Expenses under the Limited Use FSA), you give up the opportunity to take a tax deduction for these same Eligible Expenses. You must make a choice. If you do not itemize deductions on your income tax return or if your medical and dental costs are less than 7.5% of your adjusted gross income, it likely will be more tax advantageous to be reimbursed on a pre-tax basis through the Health Care FSA.

Dependent Day Care Income Tax Credits

Allowable dependent day care costs may qualify for a tax credit on your federal income tax return. You do not have to itemize deductions on your federal income tax return to qualify for the tax credit. In general, the higher your income, the more advantageous it is for you to use the Dependent Day Care FSA rather than take a tax credit. If your household earnings are \$15,000 or less, the credit is 35% of your costs. The credit gets smaller for higher income levels; it gradually reduces to 20% of allowable costs for household incomes of \$43,000 or more. The maximum allowable costs you can consider are \$3,000 for one dependent, or \$6,000 for more than one dependent. This means for household incomes over \$43,000, the maximum tax credit for one dependent is \$600 (20% of \$3,000).

If you choose to use both the Dependent Day Care FSA and the tax credit, the maximum allowable costs for the tax credit calculation will be reduced by the amount of money set aside for the Dependent Day Care FSA. For example, if you have one dependent, \$3,000 of expected dependent day care Eligible Expenses, and choose to contribute \$600 to your Dependent Day Care FSA, you will be allowed a tax credit on \$2,400 of allowable costs (\$3,000 minus \$600). If you choose not to use the tax credit, \$3,000 can be contributed to the FSA.

If you are married, the credit is normally available to you only if you and your spouse file a joint tax return. However, there are exceptions to this requirement if you are legally separated or living apart. For more information about how these provisions apply to your tax situation, contact a qualified tax advisor.

The Impact of FSA Contributions on Social Security Benefits

Your taxable pay is reduced by the amount you contribute to the FSA Program. This reduction affects your Social Security taxes if you earn less than the Social Security wage base. As a result, you should be aware that any future Social Security benefits you receive may be reduced.

REIMBURSEMENTS UNDER THE HEALTH CARE FSA

The following outlines the Eligible Expenses, which can be submitted to your Health Care FSA, as well as ineligible costs. Due to changes in the tax law and plan design, Eligible Expenses and ineligible costs may change from time to time. You may want to log onto Your Spending Account™ through the *Your Benefits Resources*™ website at [Allstate Good Life \(https://allstategoodlife.com/benefits\)](https://allstategoodlife.com/benefits) to obtain additional information about Eligible Expenses. However, if any discrepancies exist between the Your Spending Account website and this Summary Plan Description (SPD), this SPD shall govern. If you are unable to access the website, you may call the Allstate Benefits Center at (888) 255-7772 for assistance.

Eligible Expenses Under the Health Care FSA

Eligible Expenses are charges for health care you, your spouse, or a dependent have incurred during the Plan Year in which you participate in the Health Care FSA, and are deductible for federal income tax purposes. However, not all of the Expenses that are deductible for federal income tax purposes constitute Eligible Expenses under the Health Care FSA—only those identified in the table below.

Eligible Expenses cannot be:

- reimbursed under any other employee benefit plan maintained for you by your Employer or reimbursed from any other source;
- incurred before your participation in the Health Care FSA begins;
- incurred after your participation in the Health Care FSA ends (you may be able to continue coverage under the Health Care FSA Program on an after-tax basis under COBRA); or
- submitted for reimbursement and postmarked after March 31 of the year following the Plan Year in which you incurred the Eligible Expense.

Examples of expenses eligible for reimbursement through a health care spending account may include, but aren't limited to the following:

- deductibles;
- copayments;
- charges for routine physical examinations and tests;
- inoculations;
- charges in excess of reasonable and customary limits set by the health plan(s);
- prescription drugs and medicines;
- charges for services and supplies not covered by the plan(s);
- charges in excess of annual health plan limit(s);
- eye examinations and treatment, including LASIK surgery;
- the cost of eyeglasses, contact lenses, and prescription sunglasses;
- the cost of hearing aids and batteries; and
- prepaid orthodontia treatment.

For a complete list of eligible health care expenses, you can review IRS Publication 502 at the IRS' website at <http://www.irs.gov>.

Ineligible Costs Under the Health Care FSA

The Health Care FSA may not be used for costs that do not qualify as an Eligible Expense. The following list includes some medically-related costs that are ineligible for reimbursement:

TIP

A complete description of ineligible costs can be found in IRS Publication 502.

Examples of expenses that are not eligible for reimbursement:

- HMO and medical insurance premium payments;
- health club fees;
- dietary supplements;
- disability and life insurance premium payments;
- living expenses;
- cosmetics;
- cosmetic surgery, unless it's for the treatment of a disfiguring illness or injury;
- cosmetic dental procedures, such as bleaching and implants;
- over-the-counter medicines and drugs, including allergy medicines, antacids, and pain relievers (unless you have a prescription from an authorized health care provider);
- over-the-counter vitamins (unless you have a prescription from an authorized health care provider);
- weight-loss treatments, unless prescribed by a physician to cure a specific illness;
- long-term care, and
- health care expenses that are reimbursable under any other health plan or insurance.

REIMBURSEMENTS UNDER THE LIMITED USE FSA

The following outlines the Eligible Expenses, which can be submitted to your Limited Use FSA, as well as ineligible costs. Due to changes in the tax law and plan design, Eligible Expenses and ineligible costs may change from time to time. You may want to log onto Your Spending Account™ through the *Your Benefits Resources*™ website at [Allstate Good Life \(https://allstategoodlife.com/benefits\)](https://allstategoodlife.com/benefits) to obtain additional information about Eligible Expenses. However, if any discrepancies exist between the Your Spending Account website and this Summary Plan Description (SPD), this SPD shall govern. If you are unable to access the website, you may call the Allstate Benefits Center at (888) 255-7772 for assistance.

Eligible Expenses Under the Limited Use FSA

Eligible Expenses under the Limited Use FSA are limited to charges for dental and vision care you, your spouse, or a dependent have incurred during the Plan Year in which you participate in the Limited Use FSA, and are deductible for federal income tax purposes. However, not all of the Expenses that are deductible for federal income tax purposes constitute Eligible Expenses under the Limited Use FSA—only those identified in the table below.

Eligible Expenses cannot be:

- reimbursed under any other employee benefit plan maintained for you by your Employer or reimbursed from any other source;
- incurred before your participation in the Limited Use FSA begins;

- incurred after your participation in the Limited Use FSA ends (you may be able to continue coverage under the Limited Use FSA Program on an after-tax basis under COBRA); or
- submitted for reimbursement and postmarked after March 31 of the year following the Plan Year in which you incurred the Eligible Expense.

The following items constitute current Eligible Expenses. Applicable sales tax on these Eligible Expenses is also reimbursable.

Eligible Expense	Description, Limitations, or Special Requirements
Capital costs	Examples include constructing entrance ramps or exit ramps, adding handrails, or modifying stairways at a personal residence for an Employee’s visually disabled condition or that of a spouse or dependent.
Coinsurance amounts	Expenses not covered by a dental and/or vision plan or that of an Employee’s spouse.
Contact lenses and related materials	Materials include enzyme cleaner, cases, and other cleaning supplies.
Copayments	Copayments under a dental and/or vision plan or that of an Employee’s spouse.
Deductibles	Deductibles under a dental and/or vision plan or that of an Employee’s spouse.
Eye examinations	—
Eyeglasses	Costs include prescription glasses and nonprescription reading glasses.
Eyeglass tinting and coating	Cost for services that are prescribed by a physician for a medical condition.
Eye surgery	Surgery to correct defective vision.
Fluoride treatment	Costs include prescription fluoride and installation and monthly rental charges of a home water unit when recommended by a doctor.
LASIK surgery	—
Orthodontic fees	Orthodontic fees paid in a lump sum.
Orthopedic shoes and orthotics	Shoes and orthotics prescribed by a doctor for a specific medical condition.
Over-the-counter medications	Items used primarily to alleviate or treat a dental or a vision-related illness. You must provide a prescription from a licensed health care professional. Products for general health purposes aren’t eligible. Examples include saline solution.
Over-the-counter supplies	Examples include contact cases and enzyme cleaning solutions.
Sunglasses	Sunglasses prescribed by an eye doctor for light sensitivity.
Vision Expenses	Costs not covered by a vision plan (see Eyeglasses).

INELIGIBLE COSTS UNDER THE LIMITED USE FSA

The Limited Use FSA may not be used for costs that do not qualify as an Eligible Expense. The list including some dental and vision-related costs that are ineligible for reimbursement can be found on the YBR website <http://resources.hewitt.com/allstate> under the YSA section.

TIP

A complete description of ineligible costs can be found in IRS Publication 502.

REIMBURSEMENT UNDER THE DEPENDENT DAY CARE FSA

The following outlines some of the Eligible Expenses that can be submitted to your Dependent Day Care FSA. Due to changes in the tax law and plan design, Eligible Expenses and ineligible costs may change from time to time. Log onto Your Spending Account through *Your Benefits Resources*[™] at *Allstate Good Life* (<https://allstategoodlife.com/benefits>) to obtain additional information about Eligible Expenses. However, if any discrepancies exist between Your Spending Account and this Summary Plan Description (SPD), this SPD shall govern. If you are unable to access the website, you may call the Allstate Benefits Center at (888) 255-7772 for assistance. A complete description of Eligible Expenses can also be found in IRS Publication 503.

NOTE

Expenses incurred prior to making an election change (due to a Qualified Change in Status) cannot be submitted against newly elected contribution amounts.

Eligible Expenses Under the Dependent Day Care FSA

Eligible Expenses include those incurred by you during a Plan Year in which you participate in the Dependent Day Care FSA Program (not before your participation begins or after your participation ends).

The Eligible Expenses that qualify for reimbursement under the Dependent Day Care FSA Program are ones that satisfy the requirements for a tax credit on your federal income tax return and which are necessary in order for you to work.

Included are Expenses for the care of:

- a “qualifying child” under age 13; and
- a “qualifying relative” or spouse who is physically or mentally incapable of self-support and who resides with you for more than one half of the year.

To be claimed as a dependent, a dependent must have a Social Security Number. In addition, if you are divorced or separated, your child may be a “qualifying child” if you have custody of the child (even if you do not claim the child as a dependent on your tax return). To determine whether your child meets the requirements of a “qualifying child” under the Code, please contact a qualified tax advisor.

Examples of Eligible Expenses also include payments made to a day care center, pre-school, summer day camp, and before- and after-school care. Other Eligible Expenses include FICA and other taxes you pay for child care providers, and any nonrefundable payment made in advance to assure the place for your child in a day care center.

The following items constitute current Eligible Expenses (subject to change):

Eligible Expense	Description, Limitations, and Special Requirements
After-school care or extended day programs	Supervised activities for children after regular school program. Programs must be custodial in nature. The primary purpose of these programs is to care for children while the parents are at work.
Au pair expense and placement or agency fees	Amounts paid to employ an au pair may qualify as child and dependent day care Expenses. Such may include expenses that relate to, but are not directly for, the care of the qualifying individual. For example, the application fees and agency fees may qualify if required to pay the expenses to obtain the related care.
Baby-sitter	For care provided while the parent is at work. Baby-sitter cannot be a child of the Employee under age 19 or otherwise claimed as a dependent by the Employee or spouse on IRS form 1040.
Day care	In your home or elsewhere (wages to home day care provider or day care center charges).
Food fee	If charges are included as part of nursery school or day care charges.

Eligible Expense	Description, Limitations, and Special Requirements
Home care for older dependent	Non-medical care in your residence for dependent over the age of 13.
Household services	Where attributable in part to child care, wages to housekeeper for providing care of dependent.
Nanny Expenses	To the extent Expense is attributable to dependent day care, and Expenses of household services are attributable in part to care of qualifying dependent.
Nursery school tuition	Primary purpose of the Expense is to care for the child so that the parent can work. Must be custodial in nature.
Pre-school tuition	Primary purpose of the Expense is to care for the child so that the parent can work. Must be custodial in nature.
Substitute child care	—
Summer day-camp	To the extent attributable to care of dependent regardless of whether or not the program includes other extracurricular activities. The primary purpose of the summer day camp must be custodial in nature and not educational or entertainment in nature.
Taxes for caregiver's wages	Employment taxes paid for services of a home child care provider, such as a nanny.

Ineligible Costs Under the Dependent Day Care FSA

TIP

A complete description of ineligible costs can be found in IRS Publication 502.

Costs that do not qualify for reimbursement under the Dependent Day Care FSA include:

- baby-sitter for evening out;
- care during volunteer work;
- care while not working (for dependent day care received while you or your spouse are home sick from work or not working);
- child support payments;
- clothing;
- costs that are reimbursed by any other plans that provide benefits to you, including any plans providing benefits to you through your spouse's employer or by virtue of coverage under any government program;
- costs for services rendered by an individual you claim as a dependent and for whom you are entitled to a personal exemption on your tax return;
- costs for services rendered by a child of yours under age 19 (even if you do not claim that person as a dependent on your income tax return);
- costs that are claimed as a tax credit on your income tax return;
- costs that, in the absence of this FSA Program, could not be claimed as a credit on your federal income tax return, including education costs incurred for a child in the first or higher grade level;
- educational Expenses (kindergarten and first grade or higher);
- entertainment costs;
- food if charged separately from dependent day care Expense;
- housekeeper;
- nursing home;
- overnight camp;
- transportation to and from care site; and
- travel fees for care provider (air fare for au pair who provides child care services).

CLAIM PROCEDURES

Submitting a Claim for Reimbursement

All FSA claims are processed by Your Spending Account. Visit Your Spending Account through *Your Benefits Resources*[™] at Allstate Good Life (<https://allstategoodlife.com/benefits>) to do any of the following:

- submit claim(s);
- review the status of claim(s);
- check your current account balance(s);
- learn about Eligible Expenses; and
- learn about the YSA Card available for the traditional Health Care FSA.

Participants may create a claim on the Your Spending Account website. After entering the claim information, you may upload your documentation online or print a copy, sign it, and fax or mail it to Your Spending Account with the required documentation for processing.

Participants may also obtain a paper claim form by calling Your Spending Account at (888) 255-7772. A service center representative will mail a claim form to you. Complete the form, sign it, and fax or mail it to Your Spending Account with the required documentation for processing.

Send your claim form to Your Spending Account by fax at (888) 211-9900 or by mail to:

Your Spending Account
P.O. Box 64030
The Woodlands, TX 77387-4030

CAUTION

For dependent day care Expenses, you must have both incurred and paid the Expense to receive reimbursement. You will not be reimbursed more than the balance in your account.

Using the YSA Card

If you're eligible, you'll receive a package containing one YSA card issued in your name, activation instructions, a Cardholder Agreement, additional disclosures, and information explaining approved use of the card. You may request additional cards for your spouse and/or eligible dependent(s) through the Your Spending Account website.

The YSA card remains active as long as your account is in good standing, you continue to participate in a health care spending account, and you remain actively employed. Your card will be canceled upon termination of employment—inactive participants may not use the YSA card. By signing and using the card, you certify that:

- You'll only use the card for your own eligible health care expenses and those of your eligible dependents under the plan (see Section 6 for detailed dependent eligibility information).
- Incurred expenses were for health care services or supplies purchased on or after the date your health care spending account took effect.
- Your expenses don't include any amounts that are otherwise payable by plans for which you or your dependents are eligible.
- Any expense paid for with the card that has not been, or will not be, reimbursed by another source.

The YSA card has been designed for use at merchants and providers that primarily sell health care products and services (for example, pharmacies, physician’s offices, hospitals, and dentist’s offices). Each time you use the card at an approved merchant location for an eligible health care expense, you’ll be prompted to use it as either “credit” or “debit.” If you choose the credit option, you must provide your signature. If you choose debit, you must use your personal four-digit Personal Identification Number (PIN) that you set up when your YSA card was issued. If you forgot or need to change the PIN associated with your card, you can call (888) 999-1094 to make an update.

The YSA card can remain active for up to *41 months*—as long as you maintain active status and/or are eligible for benefits. However, the card can only be used in plan years during which you’ve made contributions to a health care spending account. For example, if you enroll for the first time and receive a card but don’t enroll the second year, the balance on the card will be zero. If you decided to re-enroll the third year, the *existing* card would reflect your new available balance. Keep in mind that the contribution amount for one plan year can’t be accessed through the YSA card after the end of that year. If you enroll in the plan the following year, a new contribution amount will be available through the YSA card at the start of the second plan year.

The initial dollar value available with your card is the same as the amount you chose to contribute to your Health Care FSA/Limited Use FSA for the Plan Year. Dependent day care Expenses cannot be reimbursed through a Health Care YSA Card.

The YSA Card makes it easy to pay for many eligible health care Expenses at the time services are rendered or purchases are made. The YSA Card can only be used at merchants that provide health care products or services. When the card is used at a valid merchant, Eligible Expenses will be deducted automatically from your account (based on the account limits). However, documentation may be required in order to substantiate YSA Card transactions as Eligible Expenses. Each time you use the card at an approved merchant location for an eligible health care expense, you’ll be prompted to use it as either “credit” or as a “debit.” If you choose the credit option, you must provide your signature. If you choose debit, you must use your personal four-digit Personal Identification Number (PIN) that you set up when your YSA Card was issued.

NOTE

Additional documentation is required for certain YSA Card transactions. You will be notified by Your Spending Account if additional documentation is needed. Be sure to retain all receipts in order to substantiate your YSA Card transactions. If additional documentation is required but not submitted, the transaction will be deemed invalid and the amount of the transaction will be considered an overpayment. (See below for more information about “YSA Card Overpayments.”)

YSA Card Overpayments

If the YSA Card is used for ineligible Expenses or if Expenses which require documentation are not substantiated, the amount of the ineligible Expense is considered an overpayment. Use of the YSA Card will be suspended until this overpayment situation is corrected. You will be notified by Your Spending Account that you must refund the amount of overpayment, and/or the amount of the overpayment will be offset by any future eligible claims submitted. No future claims will be paid until the overpayment has been fully recouped. If your account is in overpayment status at the close of the Plan Year, the equivalent dollar amount will be treated as taxable income to you and you risk the chance of having the YSA Card suspended.

The YSA Card will be cancelled upon termination of employment. Inactive participants (including Employees on unpaid leave of absence) may not use the YSA Card.

Please refer to the Your Spending Account Welcome Kit and Cardholder Agreement for additional details about the Health Care FSA/Limited Use YSA Card.

Orthodontia Claims

The IRS allows for full reimbursement of Orthodontia Expenses when payment for services has been made. You may submit Orthodontia claim(s) for reimbursement of the full amount for services if you have paid the entire cost of those services. Otherwise, you may submit Orthodontia claim(s) on a periodic or ongoing basis as you make payment for services.

Your Spending Account pays orthodontia claims as follows:

- You will be reimbursed the lump sum cost of services when you have paid for the entire treatment up-front. If the cost of Orthodontia services is greater than the Plan Year maximum, you cannot spread reimbursement across Plan Years if you paid the entire cost of services in one Plan Year.

For example, if you pay for the entire orthodontia service in 2015, you may only receive reimbursement for the service with 2015 Health Care FSA or Limited Use FSA dollars. You cannot receive reimbursement with Health Care FSA or Limited Use FSA dollars from the next Plan Year.

- You may make claims and be reimbursed on a periodic (usually monthly) basis if you are making installment payments for the services.
- You are still responsible for filing claim(s) with the dental carrier(s).

In order for Your Spending Account to reimburse an Orthodontia Expense, the following information must be provided:

- date treatment began;
- total out-of-pocket Expenses;
- initial fee; and
- length of treatment.

NOTE

On the YSA™ website, you can obtain an Orthodontia Treatment form under the Knowledge Center to ensure all orthodontia documentation requirements are met.

Frequency of Claim Submission

You can submit claims as often as you like. Claims are processed and reimbursements are made according to Plan provisions, as claims are submitted. There is no minimum claim amount necessary to receive reimbursement.

Claim Submission Window

You can submit claims incurred in a Plan Year until March 31 (postmarked) of the following year to the extent funds are available in your FSA. Submission must include documentation as shown under Documentation for Claims. In the event of the Employee's death, the Employee's dependent(s) or estate may submit claims against the remaining account balances until March 31 (postmarked) of the following year.

Documentation for Claims

For claims you submit against your Health Care FSA or Limited Use FSA, you must attach an itemized bill from your provider, which includes the date of service, the service that was received, the name of the family member receiving the service, and the charge for the service. All documentation must be legible and complete.

Other Eligible Expenses may need a Statement of Medical Necessity to qualify as an Eligible Expense.

The following guidelines apply to claims submitted against your Health Care FSA or Limited Use FSA:

- An Explanation of Benefits (EOB) is not required for Health Care FSA or Limited Use FSA claims. Therefore, by signing the Your Spending Account claim form, you certify that you haven't been reimbursed in any other way or from any other source and you will not submit for future reimbursement from any other source.

- Prescription from a licensed health care professional is necessary for qualified over the counter medicines and drugs.
- Diagnosis and/or a Statement of Medical Necessity is required for the following Expenses:
 - advanced payments;
 - automobile modifications;
 - braille books and magazines;
 - breast pump;
 - capital costs;
 - cosmetic surgery;
 - dental implants;
 - exercise equipment;
 - humidifiers;
 - lodging;
 - massage therapy;
 - mattresses;
 - mentally disabled care;
 - special equipment;
 - special foods;
 - special school payments;
 - sunglasses;
 - support hose;
 - tutoring;
 - umbilical cord storage;
 - vacuums;
 - weight loss programs; and
 - wigs.

For Eligible Expenses under the Dependent Day Care FSA, the FSA claim form should include the provider name, dates of service, name of the recipient of the service, dollar amount claimed and your signature along with the provider's signature. Cancelled checks and online bank statements are not acceptable proof for Dependent Day Care FSA claims.

Provider Certification Form

Avoid Sending Receipts and Documentation with Provider's Signature.

Your plan requires that you send *Your Spending Account* itemized receipts or other documentation to prove that your expenses are eligible under the plan.

A simpler alternative that can be completed using either the YSA website or the YSA Reimburse Me app is for you to get your dependent care provider to sign the Provider Certification section of your claim form. This way, you don't need to submit additional receipts or documentation.

Submit the provider-signed claim via the YSA website by following these three steps:

1. Enter your claim information on this site.
2. Print the claim form and have your provider sign and date it.

3. Upload the form (after photographing or scanning it), or send a copy by fax or mail.

Payment of FSA Claims

You may choose how to receive your FSA reimbursements. You may receive reimbursements:

- via direct deposit into the same account in which your pay from Allstate is directly deposited;
- via direct deposit into a different account than the one in which your pay from Allstate is directly deposited; or
- via paper checks mailed to your home address.

If you receive your pay from Allstate via direct deposit, your FSA reimbursements initially will default to direct deposit into that same bank account. If you do not receive your pay from Allstate via direct deposit, your FSA reimbursements initially will default to paper checks mailed to your home. However, you may change the method of reimbursement or designate a different bank account for direct deposit of FSA reimbursements by visiting the Your Spending Account website.

Reimbursements by check will be accompanied by an EOB, which will itemize the claim for which the reimbursement is being made. Reimbursements by direct deposit will have claim reimbursement details available on Your Spending Account. Visit Your Spending Account through *Your Benefits Resources*[™] at [Allstate Good Life](https://allstategoodlife.com/benefits) (<https://allstategoodlife.com/benefits>) to view claim payment details or check claim status.

Under the Dependent Day Care FSA, if a claim is more than the current balance in your account, you will be paid the full amount in your account. Then, the remaining amount of the claim will be paid automatically as more money is credited to your account.

Under the Health Care FSA and Limited Use FSA, the full amount you elect to contribute to your account for the year (less any amounts previously reimbursed for the year) will be available to reimburse Eligible Expenses, regardless of the amount contributed to date. Contributions will continue to be deducted from your pay to cover any claims already fully reimbursed from the Health Care FSA or Limited Use FSA.

Unused Account Balances

Under Plan rules, if you do not incur Eligible Expenses by the end of the Plan Year and/or do not request reimbursement for such Expenses by March 31 (postmarked) of the following year, you must forfeit any money remaining in your FSAs.

In addition, amounts deposited in your Health Care FSA or Limited Use FSA must be used only to pay Eligible Expenses and amounts deposited in your Dependent Day Care FSA must be used only for dependent day care Eligible Expenses. You cannot use money in your Dependent Day Care FSA for Eligible Expenses under your Health Care FSA or Limited Use FSA, and vice versa. Expenses in these categories are reimbursed separately.

To minimize or avoid forfeitures, you will need to estimate each type of Expense carefully.

Reimbursements After Termination

Health Care FSA

Your salary reductions and your election to receive reimbursements will terminate when your participation in the Health Care FSA Program terminates. You may claim reimbursement for Eligible Expenses under the Health Care FSA incurred during the period of coverage prior to the termination of your participation, provided that you (or your estate) file a claim by March 31 (postmarked) following the close of the Plan Year in which the Expense was incurred.

You will not be able to receive reimbursements for health care Expenses incurred after your participation terminates, unless you and your eligible dependents are eligible and elect to continue Health Care FSA Program coverage on an after-tax basis under COBRA. Specifically, you will be eligible for COBRA coverage only if you have a positive account balance at the time of a COBRA Qualifying Event (taking into consideration all claims submitted before the date of the Qualifying Event). If COBRA coverage is elected, it will be available only for the Plan Year in which the Qualifying Event occurs. For further information on “COBRA Qualifying Events,” please see the General Provisions section.

Limited Use FSA

Your salary reductions and your election to receive reimbursements will terminate when your participation in the Limited Use FSA Program terminates. You may claim reimbursement for Eligible Expenses under the Limited Use FSA incurred during the period of coverage prior to the termination of your participation, provided that you (or your estate) file a claim by March 31 (postmarked) following the close of the Plan Year in which the Expense was incurred.

You will not be able to receive reimbursements for dental and vision care Expenses incurred after your participation terminates, unless you and your eligible dependents are eligible and elect to continue Limited Use FSA Program coverage on an after-tax basis under COBRA. Specifically, you will be eligible for COBRA coverage only if you have a positive account balance at the time of a COBRA Qualifying Event (taking into consideration all claims submitted before the date of the Qualifying Event). If COBRA coverage is elected, it will be available only for the Plan Year in which the Qualifying Event occurs. For further information on “COBRA Qualifying Events,” please see the General Provisions section.

Dependent Day Care FSA

Your salary reductions and your election to receive reimbursements will terminate when your participation in the Dependent Day Care FSA Program terminates. However, you will be able to receive reimbursements after your participation terminates for Eligible Expenses under the Dependent Day Care FSA incurred while you were an active participant in the Dependent Day Care FSA Program, so long as the claims for reimbursement are submitted by March 31 (postmarked) following the end of the Plan Year in which the Expense was incurred. You can only receive reimbursement up to the amount which you have contributed as of your date of termination.

Remaining Unpaid Claims

If you submit a claim at the end of the year that exceeds your account balance, the claim will only be reimbursed up to the amount remaining in your account.

Reports to Participants

Each time you submit a claim, you will receive notification once the claim(s) is processed. If you receive reimbursement via check, you will receive an EOB via U.S. mail. If you receive reimbursement via direct-deposit, you will receive an EOB via U.S. mail if you don't have an email address on file with Your Spending Account. If you have an email on file with Your Spending Account, you will receive an email referring you to the Your Spending Account website so you can review the status of your claim(s).

You may view account statement information by visiting Your Spending Account through *Your Benefits Resources*[™] at Allstate Good Life (<https://allstategoodlife.com/benefits>). In addition, you may request an account statement by calling the Your Spending Account service center at (888) 255-7772. If you have a remaining balance in either FSA account at the end of the Plan Year, you will receive an annual account statement via U.S. Mail at the beginning of the fourth quarter.

CLAIM PROCEDURES

Claim Decisions for the Health Care FSA and Limited Use FSA

Claims and Appeals Management (CAM) on behalf of Your Spending Account will notify you of its decision no more than 30 calendar days after receipt of your claim. However, the time period for notice of decision may be extended for 15 calendar days provided that, prior to any extension period, Claims and Appeals Management (CAM) notifies you in writing that an extension is necessary due to circumstances beyond its control, identifies those circumstances, and gives the date by which it expects to render a decision.

The written decision shall include, in addition to other information required by applicable law:

- Specific reasons for the decision; and
- A description of the review procedures and time limits applicable to such procedures.

Appealing Denial of Claims for the Health Care FSA/Limited Use FSA

On any wholly or partially denied claim, you or your representative may file an appeal for a full and fair review. You may:

- Request a review upon written application within 180 calendar days of the claim denial;
- Request, free of charge, copies of all documents, records, and other information relevant to your claim; and
- Submit written comments, documents, records, and other information related to your claim.

Send your appeal to the following address:

YSA Claims and Appeal Management
P.O. Box 1407
Lincolnshire, IL 60069-1407

The Plan Administrator will notify you or your representative of its decision no more than 60 calendar days after your appeal is received. The review will take into account all comments, documents, records and other information you submit relating to your claim without regard to whether such information was submitted or considered in the initial determination.

The written decision shall include, in addition to other information required by applicable law:

- Specific reasons for the decision;
- Specific references to the Plan provisions on which the decision is based; and
- A statement that you may request, free of charge, copies of all documents, records, and other information relevant to your claim.

The decision of the Plan Administrator is final.

Time Limits on Starting Lawsuits or Other Legal Action

No claimant (including Plan participants or their beneficiaries) or claimant's representative may file or commence any lawsuit or legal action (under § 502 of ERISA or otherwise) to obtain any Flexible Spending Account Program benefits under the Allstate Cafeteria Plan, without first having complied with and exhausted all levels of appeal required by the Flexible Spending Account Program, and in any event not less than 60 calendar days or more than 3 years and 90 calendar days after the second (final) appeal is denied by the Plan Administrator or his or her delegate(s).

Failure to follow the claim procedures of the Flexible Spending Account Program, including timeframes and exhaustion of administrative remedies, shall result in a loss of benefits, if otherwise available.

Claim Decisions for the Dependent Day Care FSA

Claims and Appeals Management (CAM) on behalf of Your Spending Account will notify you of its decision no more than 60 calendar days after receipt of your claim. However, the time period for notice of decision may be extended for one additional 15-calendar-day period provided that, prior to any extension period, Claims and Appeals Management (CAM) notifies you in writing that an extension is necessary due to circumstances beyond its control, identifies those circumstances and gives the date by which it expects to render a decision.

The written decision shall include, in addition to other information required by applicable law:

- Specific reasons for the decision; and
- A description of the review procedures and time limits applicable to such procedures.

Appealing Denial of Claims for the Dependent Day Care FSA

On any wholly or partially denied claim, you or your representative may file an appeal for a full and fair review. You may:

- Request a review upon written application within 60 calendar days of the claim denial;
- Request, free of charge, copies of all documents, records, and other information relevant to your claim; and
- Submit written comments, documents, records, and other information related to your claim.

Send your appeal to the following address:

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The written decision shall include, in addition to other information required by applicable law:

- Specific reasons for the decision;
- Specific references to the Plan provisions on which the decision is based; and
- A statement that you may request, free of charge, copies of all documents, records and other information relevant to your claim.

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Failure to follow the claim procedures of the Flexible Spending Account Program, including timeframes and exhaustion of administrative remedies, shall result in a loss of benefits, if otherwise available.