



**tilson**

# FAQs

**TILSON** Benefits Edition





# Benefits FAQs

## INTRODUCTION

One of Tilson's services is benefits administration. Tilson offers Fortune 500-level employee health insurance and benefits to help strengthen your ability to attract and retain the best talent.

## HOW TO USE THIS RESOURCE

The following content consists of our most frequently asked benefits questions. Some questions and answers are followed by an additional resource section. To access a resource, simply click on the resource's title to be directed to the document or item.

## General Information

**Q** Can employees change benefits at any point in time or just during open enrollment?

**A** The IRS has established that certain life events entitle eligible individuals to make mid-year changes to their pre-tax benefit elections. Examples include, but are not limited to:

- **Marriage or Divorce**
- **Birth or Child Adoption**
- **Change in spouse's employment affecting benefits eligibility**
- **Dependent's loss of eligibility**

If an employee is eligible to make a mid-year benefit change, Tilson will work with the individual to facilitate the process within the IRS-imposed deadline. Please direct employees to contact Tilson for assistance as needed.

RESOURCES: [\*IRS Qualifying Events List with Corresponding Deadlines\*](#)





## General Information Contd.

**Q** My employee needs a Medical/Dental/Vision ID Card, is this something Tilson provides? How, and when, do employees receive their ID Card?

**A** If your insurance carrier provides physical ID cards, employees will receive their cards approximately 30 business days after enrollment. Most insurance carriers provide physical ID cards for medical coverage.

In many cases, digital ID cards can be accessed via the carrier's member portal. The resource below provides links to each insurance carrier's ID Card help site. Employees can select the appropriate link to learn more about how to access, print, or download copies of their physical ID cards.

RESOURCES: [Quick Reference Guide - Insurance ID Cards](#)

**Q** Why did the insurance carrier send a letter to my employee, requesting verification that their dependent is a full-time student?

**A** In order for a dependent who is 19+ years of age to be eligible for dental and vision benefits, the dependent must be a full-time student, taking a minimum of 12 credit hours per semester. Policyholders (the employee) must provide verification of the dependent's full time student status or the dependent will be terminated from coverage. The employee will need to follow the instructions provided by the insurance carrier to ensure that the dependent is not removed from their insurance policy.





## Medical Insurance

**Q** What is an HSA (Health Savings Account)?

**A** Health savings accounts (HSAs) are a great way for employees to save money and efficiently pay for medical expenses. HSAs are tax-advantaged savings accounts that accompany high deductible health plans (HDHPs).

HSAs were created to provide individuals who have HDHPs with a tax-preferred method of saving money for medical expenses. There are certain advantages to putting money into these accounts, including investment earnings and favorable tax treatment. The rationale behind the HSA/HDHP combination is that people will have a clearer idea of their medical costs and more control over their spending, enabling them to reduce their medical costs.

HSA money can be used tax-free when paying for qualified medical expenses, helping employees pay their HDHP's larger deductible. At the end of the year, employees keep any unspent money in their HSA. This rolled over money can grow with tax-deferred investment earnings, and, if it is used to pay for qualified medical expenses, then the money will continue to be tax-free. For employees having an HSA can be a tremendous asset, providing them more control over how they save for future expenses.

RESOURCES: [HSA Guide for Employers](#)

**Q** What is an FSA (Flexible Spending Account)?

**A** An FSA is an employer-sponsored savings account for health care expenses. Employees are not taxed on the money put into the FSA, and can then use the account to pay for qualified out-of-pocket health care costs, such as deductibles and copays, but not premiums. However, employees cannot stockpile money in the account from year to year, and they will lose leftover money in the account at the end of the plan year unless your organization offers an option that allows for either a short extension or a small carry-over into the next year. If you are interested in providing FSAs as a fringe benefit to your employees, contact your Tilson HR Advisor to set up an appointment.

RESOURCES: [FSA Services Portfolio](#) | [Fringe Benefits](#)





## Medical Insurance Contd.

**Q** What is a limited purpose FSA?

**A** A Limited Purpose FSA is a Flexible Spending Account that is compatible with a Health Savings Account (HSA). An employee can use a Limited Purpose FSA alongside their HSA but it can only be used for payments related to eligible dental and vision care expenses.

RESOURCES: [Benefits Insights – Limited Purpose FSAs](#)

## Disability Insurance

**Q** What is Group Disability Insurance?

**A** Group disability insurance provides income protection for employees as well as cost-saving management strategies for employers. For employers, lost time on the job due to a disability can significantly impact workplace productivity and profitability. However, disability insurance provides partial replacement of lost income for employees while also covering overtime and costs of hiring replacements. Most employers offer salary continuation plans. Many states also mandate temporary disability insurance that requires employers to provide benefits equivalent those working in non-statutory states

RESOURCES: [Benefits Insights - Group Disability Insurance](#)

## Life Insurance

**Q** What is Group-term Life Insurance?

**A** Group-term life insurance is coverage that employers offer to employees only. Coverage may be employer- or employee-paid. Often, employers offer a specified benefit (flat fee or percentage of salary) that is cost-free for employees, then offer the option for employees to purchase additional coverage.

Because spouses and dependents are not covered under this type of plan, some employers also offer a separate voluntary plan to cover these individuals if employees choose.

RESOURCES: [Benefits Insights - Group-term Life Insurance](#)

**Note:** If you have any additional questions or concerns, please contact a member of your Tilson Service Team.





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Let Tilson get to work  
for you *today.*

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