

Flex One[®]

A Leading Provider of Cafeteria Plan Services



Choose the easy way to
save tax dollars on health
care expenses.

Saving Tax Money

on health care premiums ... through your company's new cafeteria plan

It's your money ...

How much do you spend on medical and dental expenses every year? Sure, you may have a major medical plan that helps, but what about deductibles and copayments? Aflac's Flex One® program may help you save tax dollars on these expenses by establishing a flexible spending account (FSA) for you.

Savings Example

Per \$1,000 in salary

Employee Savings Example

Without Flex Plan		With Flex Plan	
\$ 1,000	Gross Income	\$ 1,000	Gross Income
- 250	Taxes	- 100	Insurance Premiums
<u>750</u>	Paycheck	<u>50</u>	Medical Expenses
- 100	Insurance Premiums	- 225	Adjusted Gross Income
- 50	Medical Expenses	- 213	Taxes
<u>\$ 600</u>	Net Spendable Income/Paycheck	<u>\$ 637</u>	Net Spendable Income/Paycheck

\$37 Tax Savings!

This example is for illustration only and assumes a combined tax rate (income, FICA, and Medicare) of 25 percent. Your own personal tax situation may differ.

Without an FSA, you pay taxes on every dollar you earn—then you pay for medical expenses. **With an FSA**, you can set aside a portion of each paycheck for medical expenses. This amount is deducted from your paycheck before taxes are calculated, so the taxes you owe should decrease. In other words, **you won't pay taxes on the money you spend on qualified out-of-pocket medical expenses!**

Your benefits*

The potential tax savings you gain on medical expenses may give you the choice between adding to your benefits package and receiving a higher paycheck.

Use the money in your FSA for expenses such as:

- Insurance copayments and deductibles.
- Vision care (eye exams, eye glasses, contact lenses and solution, corrective eye surgery).
- Drugs, legally obtained by prescription, or insulin plus over-the-counter (if for medical care).
- Service fees for medical care (consultations, diagnostic lab work, etc.) provided by physicians, surgeons, specialists, or other medical providers.
- Diabetic supplies (blood sugar monitor, syringes, test strips, etc.).

Your choice!

Aflac's Flex One gives you a choice:

- Potential tax savings
- More complete coverage



**Cafeteria plan elections are generally irrevocable for an entire plan year and reduce Social Security compensation. Prior to participation, carefully review your summary plan description, salary redirection agreement, summary of tax rules, and reimbursement procedures for additional terms and conditions.*

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