

PrimeFlex® Pre-Tax Health Accounts

Let's face it, with the rising cost of providing health care to your employees, it seems that the only ones who are benefiting are the large health care organizations. PrimePay offers you a solution where everyone wins. We can help you reduce the amount you pay in payroll taxes and, at the same time, increase your employees' take home pay! That solution is PrimeFlex.

Relieve the Pressure of Rising Health Care Costs

PrimeFlex can generate FICA savings for employers and can increase their employees' spendable income through the use of Premium Only Plans (POP) and Flexible Spending Accounts (FSA). Internal Revenue Code Section 125 allows employees to select certain benefits normally paid on an after-tax basis and instead, pay for them pre-tax.

With a POP, the contributions an employee makes for insurance premiums for health, dental, disability and group term life insurance programs can be paid for pre-tax. The net result is that the employee saves at least 22% in Federal and FICA taxes.

With an FSA, benefits such as qualified unreimbursed medical expenses (doctor visit co-pays, prescription co-pays, etc.) and dependent care expenses (both for children and for elderly dependents) can be paid out with pre-tax dollars. These funds are reimbursed back to the employee based on the amount they estimate for the year.

When employees pay for these benefits pre-tax, it allows them to increase their spendable income while giving their employer substantial FICA tax savings. In fact, it could save your company thousands of dollars in payroll taxes a year depending on the size of your company!



Here's how it works. Choose PrimePay for your payroll service and PrimeFlex will handle all the administration of the plan you choose. Then sit back and enjoy the savings for both your company and your employees. It couldn't get any easier than that!

PrimeFlex Plans Include:

- Premium Only Plans (POPs)
- Flexible Spending Accounts (FSAs)
- Health Reimbursement Arrangements (HRAs)
- Health Savings Accounts (HSAs)

The Benefits are Clear

- Reduces payroll costs—Saves employers thousands of dollars in payroll taxes a year
- Increases employee's benefits and take home pay
- No increase in employer contributions for employee benefits
- One low fee—No hidden service charges
- Toll free customer service support
- FSA reimbursement requests are processed daily
- Debit card based system for ease in paying for qualifying medical and dependent care expenses