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Paychex Introduces FSA Debit Card

Card ends burden of pre-payment, wait for reimbursement of eligible expenses for clients' employees

ROCHESTER, N.Y.--(BUSINESS WIRE)--

Paychex, Inc., a leading provider of payroll and human resource services, has launched a new debit card that offers clients' employees an easy, convenient way to access their flexible spending account (FSA) funds. The Paychex FSA Debit Card is designed to be a cost-saving tool for employers and employees. Employees enrolled in a Paychex FSA plan can use the debit card to pay for things such as prescriptions, co-pays, dependent care, and other FSA-eligible expenses. The expenses are automatically deducted from a participant's FSA, in most cases doing away with the need for an employee to pay the expenses up front, submit a claim, and then wait for reimbursement.

Paychex is offering its new debit card at no charge to clients or enrolled participants. Additionally, the Paychex FSA Debit Card complies with the latest IRS regulations, which now stipulate that cards can be used at grocery and discount stores, wholesale clubs, and mail- and web-based vendors with an "inventory information approval system," or IIAS, installed. The technology means the system knows immediately if the expense is eligible. An IIAS means lower risk for employers because an employee can't accidentally use the card for something that is not FSA-eligible, and it offers greater convenience for employees who make their purchases at one of these locations because it means they never have to submit a receipt.

"FSAs have reduced the expense of health and dependent care for millions of Americans," said Tony Tortorella, vice president of Human Resource Services for Paychex. "Now, with just the swipe of a card at locations with an IIAS, the participant knows if the item or service is a reimbursable expense, and if it is, they pay for it instantly out of their debit card account."

The Paychex FSA Debit Card can be used for most FSA-eligible items and services at any location that accepts MasterCard and provides a medical or dependent-care service, or sells FSA-eligible items.

About Paychex

Paychex, Inc. (NASDAQ:PAYX) is a leading national provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex(R). Human resource and benefits outsourcing services include 401(k) plan recordkeeping, health insurance, workers' compensation administration, section 125 plans, a professional employer organization, time and attendance solutions, and other administrative services for business. Paychex was founded in 1971. With headquarters in Rochester, New

York, the company has more than 100 offices and serves approximately 561,000 payroll clients nationwide. For more information about Paychex and our products, visit www.paychex.com.

Source: Paychex, Inc.