

# Understanding WEX benefits card auto-approval

This article explains when WEX benefits card transactions are automatically approved and when you must provide documentation for eligible expenses.

## Merchant category code (MCC)

The benefits card works in conjunction with an MCC network, which classifies businesses by the products they sell or services they provide. Only transactions at medical, dental, and vision providers or merchants are approved for plans that reimburse medical, dental, and vision expenses. Only transactions at parking and mass transit providers are approved for plans that reimburse Commuter Benefits expenses.

Scenario	Resolution
You're enrolled in more than one Benefits plan and swipe your benefits card at an eligible merchant or provider.	The MCC determines which account funds are pulled from.
You're enrolled in a medical flexible spending account (medical FSA) and swipe your benefits card at a doctor's office.	The transaction is approved because doctors' offices are coded as medical providers.  <u>Note:</u> You may be asked for additional documentation after the charge is approved.
You swipe your benefits card at an ATM.	The transaction is declined because ATMs are coded as financial institutions.

## Inventory Information Approval System (IIAS)

Merchants can provide all IRS-required information right at the point of sale by using the IIAS. This computerized system allows the benefits card to recognize items being purchased. IIAS merchants auto-substantiate claims, so you don't need to provide additional documentation for eligible expenses. After you swipe your benefits card for the entire purchase, eligible items are approved, and the merchant will ask for a secondary form of payment for any ineligible items.

Please note that the IIAS approval process is not authorized for the LSA plans. This is due to the client's ability to customize the eligible expense list for their LSA plan. The IIAS is a nationwide system and cannot be customized for each eligible expense list. Due to this, should the participant try to use their Benefits Card at a location with IIAS,

their card will be declined for an LSA related purchase. The participant can, of course, pay out of pocket for their purchase and submit their receipt through the mobile app for substantiation and reimbursement.

Scenario	Resolution
You try to purchase produce and Band-Aids with your benefits card.	The Band-Aids are approved, but the produce is declined because it's an ineligible expense.

The benefits card works at qualified medical, dental, vision, pharmacy, and IIAS locations. These typically include large retailers such as Wal-Mart, Target, Walgreens, CVS, and Amazon.

Other transactions often require additional substantiation because the providers don't have the IIAS in place:

- Hospitals
- Clinics
- Doctors' offices
- Dental providers
- Vision and optical facilities
- Pharmacies and drug stores without IIAS
- International merchants
- 90% merchants

Note: These pharmacies and drug stores certify that at least 90% of their gross sales are from prescriptions or qualified over-the-counter (OTC) healthcare products. The benefits card is accepted regardless of the products purchased, so additional documentation will be required every time.

Note: Except for copays, benefits card transactions at medical, dental and vision providers will likely require additional documentation.

### Recurring expenses

Recurring expenses are a series of eligible expenses that occur at the same provider and for the same dollar amount. You must submit documentation the first time you swipe your benefits card, but subsequent transactions at the same provider for the same amount are then automatically approved.

Scenario	Resolution
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You see a chiropractor once a month, and you're charged the same amount each time.

You'll be asked to submit documentation for the first visit, but charges for all subsequent visits for the same amount are auto-approved.