

Adoption Assistance Program (AAP)

Your Journey



Adopting a child is a major life decision. The process can be long, complicated, emotional and expensive. As you begin your adoption journey, you'll want to take advantage of any financial support available to you. Many companies now offer Adoption Assistance Programs (AAPs) for their employees to help with funding related to the adoption process. At Further, we administer AAP programs for employers and are ready to support you on your adoption journey.

As you begin your adoption journey, we recommend you follow three important steps.






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**STEP 1.**

**Determine if an AAP is right for you**

An AAP can offer you many benefits: Your contributions are pretax (which means they are deducted from your paycheck prior to taxes being assessed). Deductions from each paycheck are incremental – allowing you to save gradually for this big expense. Your employer may also contribute funds to your AAP, adding to your overall savings.

**Important things to consider before enrolling in an AAP:**

-  **Will you finalize the adoption in the plan year?** An AAP is a use-it-or-lose-it account. Any unused money will be forfeited at the end of the plan year. For domestic adoptions, claims can be submitted as they incur. For foreign adoptions, claims can only be submitted and paid after the adoption is final.
-  **Are you eligible - based on your income level?** Eligibility is dependent on your Modified Adjusted Gross Income (MAGI). You must be within MAGI limits (as specified by the IRS) to be eligible. Check with your financial advisor to determine if you qualify.
-  **How much can you contribute?** Both you and your partner can participate in an AAP, but you cannot exceed the IRS limit of \$14,890 per child.

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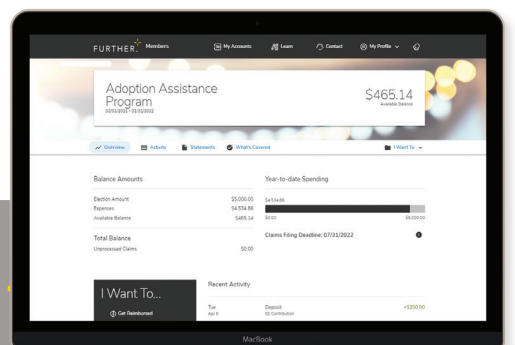
**STEP 2.**

**Open and manage an AAP account**

If you decide to enroll in your company AAP, let your employer know and then determine how much you'd like to contribute. Your contribution and any employer-paid contribution cannot exceed the allowable contribution limit set by the IRS for each child adopted (\$14,890 per child in 2022). If a spouse has an AAP and you file taxes jointly, ensure that contributions do not exceed the annual IRS limit for each child adopted.

You'll receive confirmation that your account has been set up and you can access it through the member portal. From the portal, you will be able to quickly and easily:

- Establish a bank account for faster reimbursements.
- Check your balance.
- Manage and submit claims.



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**STEP 3.**

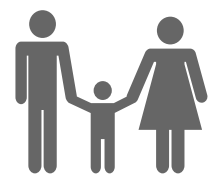
**Submit reimbursement claims and manage your account**

After an eligible adoption expense has incurred, you can submit that expense for reimbursement. Remember - expenses for domestic adoptions can be submitted and paid when they occur; expenses for foreign adoptions can be submitted and paid only when the adoption is final.

There are four ways to submit eligible expenses:

-  **MAIL**
  -  **FAX**
  -  **SECURE EMAIL**
  -  **VIA THE MEMBER PORTAL**
- Complete an Adoption Assistance Reimbursement Form and send it to Further, along with receipts to validate the expenses.**
- Follow the prompts on the screen.**

It takes 3-7 days for a claim to be processed. If you choose automatic deposit, the ACH reimbursement will be posted to your account within one business day after the claim is processed. If you opt to receive reimbursement via check, please allow an additional 5-7 days after processing to receive the check in the mail.



**Best practices for managing your AAP**



Save your receipts should you ever be audited.




View your monthly activity via an electronic statement available through the portal. If your employer opts to contribute, you'll see those contributions on your W2 form at the end of the year



Remember, AAP is a use-it-or-lose-it account. Spend the funds in your account within the year or you will lose them.

Questions? Contact us at:

 800-859-2144

 [hellofurther.com](https://hellofurther.com)