



TOWN OF CONCORD
Human Resources Department
TOWN HOUSE
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March 30, 2021

Flexible Spending Account Open Enrollment & Changes

- **April 16 Deadline for Enrollment in Flexible Spending Account Plans**
- **Important Information Re: How FSAs Work with HSA-Qualified Health Plan Options**

The Town of Concord is currently holding an open enrollment for Flexible Spending Accounts (FSAs) for the June 1, 2021 – May 31, 2022 plan year. FSAs provide the opportunity to decrease your taxable income (which means more money in your pocket!) by directing a portion of your earnings into accounts to be used for medical, dental, vision, and/or dependent care.

The Town offers the following types of FSAs:

1. Health Care FSA
 - *for employees whose participation isn't restricted due to Health Savings Account (HSA) contributions*
2. Limited-Purpose Health Care FSA
 - *for dental & vision expenses only; compatible with a Health Savings Account (HSA)*
3. Dependent Care FSA
 - *eligibility is not impacted by contributions to HSAs or the above-listed FSAs*

Materials regarding each of these FSA options is attached and additional information, along with enrollment forms, are available on the Town's Open Enrollment website. Please read this information carefully to determine whether you can take advantage of these tax-saving benefit options.

The open enrollment period for our Flexible Spending Account plans will run through April 16, 2021. As a reminder, FSA plans require re-enrollment each year. Whether you wish to enroll for the first time or continue in the plan, you must submit an enrollment form to Cafeteria Plan Advisors by April 16th.

New deductions reflecting the amount you opt to contribute to any FSA(s) this Plan Year will go into effect as of the paychecks issued on June 10, 2021. Please examine your paycheck stub to make sure that your insurance deduction matches the amount you elect. If the deduction does not appear correct, you must contact HR immediately to avoid excessive retroactive adjustments at a later date.

Important Note for Current Health Care FSA Participants:

IRS regulations do not allow contributions to an individual's HSA if that person or his/her spouse is also contributing to, or has a remaining balance in, a general-purpose health care FSA. **Therefore, if you participated in the Town's Health Care FSA in the plan year ending May 31 and enroll in an HSA-Qualified health insurance plan, the only way to take advantage of the FSA rollover option is to enroll in a limited-purpose health care FSA effective June 1.**

If you have questions regarding Flexible Spending Accounts, please contact Cafeteria Plan Advisors at info@cpa125.com or 781-848-9848. Human Resources staff is happy to provide additional assistance as needed (hr@concordma.gov).