



**TOWN OF CONCORD**  
**Human Resources Department**  
TOWN HOUSE  
978-318-3025  
*hr@concordma.gov*

May 3, 2022

**NOTICE FOR INSURANCE-ELIGIBLE EMPLOYEES**

**It's Health Insurance Open Enrollment Time  
and there are some exciting options available to you!**  
**Please take the time to learn more so you don't miss any cost-saving opportunities!**

Visit [www.concordma.gov/benefits](http://www.concordma.gov/benefits) – your hub for benefit information

The new plan year for the Town's employee health insurance plans will begin on July 1, 2022. Here are highlights to be aware of:

- **New Blue Cross Blue Shield Plan (BCBS) options; End of Fallon options**
- **New biweekly payroll deductions effective 6/9/2022**
- **New employer contribution rates**
- **Employer Contribution to Tax-Advantaged Health Savings Accounts**
- **Open Enrollment – Deadline for Changes = 5/25/2022**

**Time for a Change...**

⇒ **HEALTH PLANS - OPEN ENROLLMENT** ←

An open enrollment for the Town's health plans will be held from now through **Wednesday, May 25, 2022**. This is the only time during the next year that you can make a change in your health coverage (e.g., enroll in a plan, add a family member, change from individual to family coverage, or change from one plan to another) without a "qualifying event," as described below. **In order to change coverage, you must follow the instructions and deadlines in this memo.**

Qualifying events are events such as loss of other coverage, marriage, birth of a dependent, etc. that affect your insurance eligibility and options. If you have a qualifying event, you may change your health insurance election at that time provided you notify Human Resources (HR) of the desired change and complete all necessary forms *within 30 calendar days of the event*. Otherwise, the change cannot be made until the open enrollment period for the 2023-2024 Plan Year. If you have any questions regarding what constitutes a qualifying event and what changes could be made in such a case, please contact our HR Assistants Marie McCahon or Shana Connerney.

**EMPLOYEE COST FOR COVERAGE**

New biweekly payroll deductions, shown on the attached rate chart, will go into effect in the June 9, 2022 paychecks. The total premium for each plan, as well as Town and employee contribution amounts, are also shown. Although claims costs have resulted in premium increases for all plans, Town contribution rates have been adjusted such that the employee cost for some plans has decreased.

**The Options...**

All plans offered are Health Maintenance Organizations (HMOs), sometimes also referred to as Exclusive Provider Organizations (EPOs). These types of plans work with managed-care networks. To receive benefits, subscribers must use doctors or medical facilities that have contracted with the selected carrier (i.e., Tufts, Harvard Pilgrim, BCBS). Each plan has a different list of doctors or medical facilities where members can receive their care; networks are substantially the same, except for the BCBS Select plan which provides a

limited network to increase cost-effectiveness. You may check each plan's website or call to find out if your doctor is currently a member of the plan, but be aware that doctors could change their membership during the year.

Two categories of plans are available, representing different benefit structures:

- Lower Deductible Plans, and
- HSA-Qualified High-Deductible Plans.

#### LOWER DEDUCTIBLE HMO PLANS

All of these plans are designed around a relatively low deductible (\$300 per person covered, not to exceed \$900 per family) and copays that vary depending on the type of service received. An MNHG Health Plan Benefit Comparison Chart outlining the coverage provided by each plan is available on the Town's Open Enrollment website: [www.concordma.gov/openenrollment](http://www.concordma.gov/openenrollment). Please consider the following when choosing a Lower Deductible plan:

- Lower Deductible plans cost more than HSA-Qualified plans and are best for employees who prefer a simpler process for paying medical bills.
- If you are enrolled in a higher-premium plan because you think the price must mean it is a better plan, you are encouraged to learn more. Coverage and provider networks offered by Tufts, Harvard, and BCBS Network Blue New England plans are comparable to each other; the differences in premium are a result of the claims costs incurred by MNHG subscribers.
- While Lower Deductible plans may seem safer from a cost-exposure perspective, total costs experienced under HSA-Qualified plans are likely lower even if you have significant medical expenses. The HSA-Qualified plans described below provide more ways to save money, and the high deductible can be covered through premium savings and Town HSA contributions.

#### HSA-QUALIFIED HIGH DEDUCTIBLE HMO PLANS

All of these plans are designed around a high deductible (\$2,000 for individual plans; \$4,000 for family plans) that meets IRS requirements to be Health Savings Account (HSA) eligible. **The HSA-Qualified plans provide an opportunity to save you money, so we hope you will take time to learn whether one is right for you.** Some notable features of these plans are:

- Lower premiums than the Lower Deductible plans.
- The Town will establish/continue an HSA for you and make an employer contribution to the account in July 2022<sup>1</sup> – **\$2,000 for family plans** and **\$1,000 for individual plans**. That means you have enough money to cover half the deductible right at the beginning of the plan year!
- Medical services are covered in full after the deductible! That means there are no medical copays – the deductible is your full exposure for medical expenses!
- Prescriptions count toward the combined medical/Rx deductible. After the deductible, you will only make copays on prescriptions; those Rx copays are limited by a per person/family out-of-pocket max.

Before enrolling in an HSA-Qualified plan, please consult with Human Resources if you:

- will enroll an adult child for family coverage but not list that child as a dependent on your tax return;
- will turn 64.5 years of age;
- are or will be Medicare eligible;
- will be claimed as a dependent on someone else's tax return;
- will have other health coverage; or
- you/your spouse will contribute to or have a remaining balance in a general-purpose health care FSA during the new Plan Year.

The plan may still work for you, but you need to be aware of some provisions.

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<sup>1</sup> In order for you or the Town to make contributions to an HSA, you must not be enrolled in Medicare, not be claimed as a dependent on someone else's tax return, and must have no other health coverage, with the exception of several types of ancillary coverage. Furthermore, you and your spouse cannot contribute to, nor have a remaining balance in, a general-purpose health care FSA account.

An MNHG Health Plan Benefit Comparison Chart outlining coverage under these “HSA-Qualified HMO” plans is available on the Town’s Open Enrollment website: [www.concordma.gov/openenrollment](http://www.concordma.gov/openenrollment).

### HEALTH SAVINGS ACCOUNT (HSA)

Each employee who enrolls in an HSA-Qualified plan will have access to a Town-provided Health Savings Account (HSA), provided they qualify to make contributions. HSAs have become a popular option for people who wish to have comprehensive health insurance while building up tax-free funds they can keep for future use if not used. An HSA allows individuals to withdraw funds on a tax-free basis to pay for medical expenses, doctors’ visits, prescriptions, and other qualified health expenses.<sup>2</sup> Advantages of HSAs include:

- No time limit on reimbursements or spending funds (no use-it-or-lose-it provisions)!
- Funds contributed via payroll are made pre-tax, pre-Medicare and pre-Social Security (if applicable).<sup>3</sup>
- You can change your payroll contribution amount throughout the year!
- Fees are paid by the Town while enrolled in a Town HSA-Qualified health plan.
- Provider payments can be made online using HSA funds.
- You own the account – it’s interest-bearing, portable (keep post-employment), inheritable and, once you save a minimum amount, investible.
- There’s no tax on interest & investment earnings if used for qualifying medical expenses!
- Contributions reduce taxable income & help build long-term savings you can take into retirement!
- The Town will add funds to your HSA - **\$2,000 for family plans** and **\$1,000 for individual plans**.

A chart outlining key features of the Town’s HSA and other tax-advantaged account options is attached. In addition, a link to information about the Health Savings Account option, administered by Health Equity, is available on the Town’s Open Enrollment website: [www.concordma.gov/openenrollment](http://www.concordma.gov/openenrollment).

### **Finding What’s Right for You...**

#### SOURCES OF INFORMATION

The HR Department’s Employee Benefits section of the Town’s web page contains an “Open Enrollment” link where you will find Health Plan Benefit Comparison Charts and additional information regarding the various insurance plans offered. We will continue to add informational resources to that page as they become available.

A Summary of Benefit and Coverage (SBC) for each health plan (Tufts, Harvard Pilgrim and BCBS) is posted on our health insurance web page. Access the SBCs directly at: [www.concordma.gov/healthinsurance](http://www.concordma.gov/healthinsurance).

Human Resources staff are available to assist you in obtaining information. You may contact us at [hr@concordma.gov](mailto:hr@concordma.gov) or 978-318-3025. Please schedule an appointment with Marie McCahon or Shana Connerney if in-person staff assistance is needed.

Separate notices will be distributed regarding live and recorded information sessions.

Blue Cross Blue Shield has set up a dedicated open enrollment line for the MNHG which is available from 8:00 am. to 6 p.m. every day. Call 800-782-3675 and press prompt 3 to speak to a benefit specialist for assistance in assessing what plan may be right for you.

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<sup>2</sup> Tax-free payments from HSA funds can only be used for your tax-dependent’s expenses. If you cover an adult child on your health plan, please explore the impact this may have on your plan selection and ways you can set aside tax-free funds to pay for your child’s expenses.

<sup>3</sup> Elected HSA contributions will be deducted from pay on a biweekly basis, a maximum of 2 times per month.

## Your Action Plan...

### HOW TO MAKE A CHANGE IN HEALTH COVERAGE<sup>i</sup>

To make any health plan changes, you must enroll online in the Town's ADP Employee Self-Service portal (if you are unable to do so, contact [hr@concordma.gov](mailto:hr@concordma.gov) to explore other options). If you will be adding coverage for a dependent, documentation such as marriage/birth certificates and/or tax forms will be required to verify eligibility; a list of documents required when enrolling family members for coverage is also available on the Open Enrollment web page. You will be prompted to upload the documents into the ADP portal while enrolling. **Online enrollment must be completed by Wednesday, May 25, 2022**. Changes elected during this period will become effective on July 1, 2022.

### TO CONTINUE WITH YOUR CURRENT HEALTH COVERAGE

If you have no change in covered family members and you want to remain with your currently-elected plan (or, for Fallon subscribers, the BCBS plan you will automatically be moved to) you do not need to reenroll, but be aware that your premium payments will change. Therefore, you must verify your payroll deduction as described below. Also, if you are enrolled in an HSA-Qualified plan and wish to continue contributions to your HSA via payroll, you must elect an HSA contribution amount in ADP.

### ELECT AN HSA PAYROLL DEDUCTION FOR THE PLAN YEAR

If enrolled in an HSA-Qualified plan, make sure you elect a new HSA payroll contribution amount for the 2022 – 2023 Plan Year if you wish to direct a portion of your pay to your HSA. Many employees find it helpful to direct any money they save in premiums to the HSA account to cover the second half of their annual deductible.

### VERIFY YOUR PAYROLL DEDUCTION

The new rates go into effect as of the paychecks issued on **June 9, 2022**. Please examine your paycheck stub to make sure that your insurance deduction matches the amount shown on the attached rate chart. ***If the deduction does not appear correct, you must contact HR immediately to avoid excessive retroactive adjustments at a later date.***

## Other Ways to Save...

Employees and their families can assist in the group's cost-saving efforts by using programs such as CanaRx (which offers certain maintenance prescriptions at no cost to you), Lyric Health (access to licensed medical professionals 24/7 via phone and online service; formerly "My TeleMedicine"), and Good Health Gateway (a way to get free diabetes medications and supplies). These programs not only provide a direct savings to the subscriber, but also help to keep insurance rates down for all MNHG plan participants. In addition, employees can "shop" for the best prices for their care by using cost estimator tools available on each of the Plan's websites – you may be surprised to see how much money you can save by getting tests and other services at a stand-alone facility! Please familiarize yourself with all of these programs to take full advantage of the benefits available to you. Visit the Town's Open Enrollment website for the details:

[www.concordma.gov/openenrollment](http://www.concordma.gov/openenrollment).

If you have any questions regarding your insurance benefits, contact:

Marie McCahon or Shana Connerney  
Concord Human Resources Department  
[hr@concordma.gov](mailto:hr@concordma.gov) or **978-318-3025**

*Please schedule an appointment for in-person service*

<sup>i</sup> *Note to Fallon Subscribers: You will automatically be moved into one of the BlueCross plans, as described in a separate memo that will be sent to you, unless you enroll in a different plan as described in this section.*

Town of Concord  
**Employees' Group Health Insurance Rates**  
 Effective 7/1/2022  
 (Payroll deductions change as of June 2022)

Although there are 26 biweekly paydates per year, employee insurance deductions & FSA/HSA contributions are made 24 times per year (max of 2 times per month).  
 Employees are responsible for verifying that their deductions match those required for the benefits in which they have enrolled and for reporting any errors to HR so their payments can be reconciled.

FAMILY	Tufts Lower Deductible EPO (HMO)	Tufts HSA-Qualified EPO (HMO) w/HSA	Harvard Lower Deductible HMO	Harvard HSA-Qualified HMO w/HSA	Network Blue New England (Full-Network)	Access Blue New England Saver (Full-Network)	Network Blue Select (Limited-Network)	Blue Cross (BCBS) HSA-Qualified HMO w/HSA
					Blue Cross (BCBS) Lower Deductible HMO	Blue Cross (BCBS) Lower Deductible HMO	Blue Cross (BCBS) HSA-Qualified HMO	
<i>Group Number</i>	16208-010	54707-010	0287170-013	0747480-013	00-4069773	00-4069851	00-4069812	
<b>Monthly Premium</b>	\$2,584.00	\$2,118.00	\$2,708.00	\$2,140.00	\$2,357.00	\$1,932.00	\$2,196.00	
<i>Town's Contribution Rate</i>	60%	65%	60%	65%	65%	70%	65%	70%
<i>Town Share</i>	\$1,550.40	\$1,376.70	\$1,624.80	\$1,391.00	\$1,532.06	\$1,352.40	\$1,427.40	
<i>Employee Share</i>	\$1,033.60	\$741.30	\$1,083.20	\$749.00	\$824.94	\$579.60	\$768.60	
<b>Biweekly Payroll Deduction</b>	<b>\$516.80</b>	<b>\$370.65</b>	<b>\$541.60</b>	<b>\$374.50</b>	<b>\$412.47</b>	<b>\$289.80</b>	<b>\$384.30</b>	Not Available for FY23
<i>Change in Biweekly Deduction (Diff. between 2021-2022 &amp; 2022-2023 Plan Year)</i>	<i>(\$60.64)</i>	<i>(\$23.05)</i>	<i>(\$20.00)</i>	<i>(\$19.20)</i>	\$40.45	<i>(\$16.72)</i>	\$37.18	
<b>Town HSA Contribution:</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 2,000</b>

INDIVIDUAL	Tufts Lower Deductible EPO (HMO)	Tufts HSA-Qualified EPO (HMO) w/HSA	Harvard Lower Deductible HMO	Harvard HSA-Qualified HMO w/HSA	Network Blue New England (Full-Network)	Access Blue New England Saver (Full-Network)	Network Blue Select (Limited-Network)	Blue Cross (BCBS) HSA-Qualified HMO w/HSA
					Blue Cross (BCBS) Lower Deductible HMO	Blue Cross (BCBS) Lower Deductible HMO	Blue Cross (BCBS) HSA-Qualified HMO	
<i>Group Number</i>	16208-010	54707-010	0287170-013	0747480-013	00-4069773	00-4069851	00-4069812	
<b>Monthly Premium</b>	\$952.00	\$781.00	\$1,030.00	\$813.00	\$883.00	\$723.00	\$821.00	
<i>Town's Contribution Rate</i>	61%	65%	63%	65%	65%	70%	65%	70%
<i>Town Share</i>	\$580.72	\$507.66	\$648.90	\$528.46	\$573.96	\$506.10	\$533.66	
<i>Employee Share</i>	\$371.28	\$273.34	\$381.10	\$284.54	\$309.04	\$216.90	\$287.34	
<b>Biweekly Payroll Deduction</b>	<b>\$185.64</b>	<b>\$136.67</b>	<b>\$190.55</b>	<b>\$142.27</b>	<b>\$154.52</b>	<b>\$108.45</b>	<b>\$143.67</b>	Not Available for FY23
<i>Change in Biweekly Deduction (Diff. between 2021-2022 &amp; 2022-2023 Plan Year)</i>	\$12.87	\$19.91	\$14.99	\$21.21	\$26.52	\$4.05	\$26.67	
<b>Town HSA Contribution:</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 1,000</b>

Please note that to be eligible for coverage under any one of these plans, the employee and covered family members must live in the service area defined by that plan. If you move, you must contact the Human Resources Department to record your address change and discuss how your move might affect your coverage options. To find out about the insurance option available to people who are ineligible for coverage under any of the plans listed here, please contact the Human Resources Department.

**Town of Concord**  
**7/1/2022 – 6/30/2023 Plan Year**

**Tax-Advantaged Accounts for Insurance-Eligible Employees**

All of the following options decrease taxable income by directing money to accounts to be used for qualified medical, dental, vision or dependent care expenses. Not only are contributions to the accounts tax-free, but withdrawals made for qualified expenses are also tax-free. See IRS publications for detailed information, including qualified dependents, qualified expenses, and contribution limits. This is a summary only, which does not address all IRS and plan regulations; refer to official documents to ensure complete and accurate information.

<b>Plan Type &amp; Administrator:</b>	<b>Enrollment restrictions:</b>	<b>Used to pay for/Cost incurred by:</b>	<b>Features/Time limits for use:</b>	<b>Contribution limit &amp; Fees:</b>
Health Savings Account (HSA)  • <i>Health Equity</i>	<ul style="list-style-type: none"> <li>• Must be enrolled in one of the Town's HSA-Qualified Health Plans</li> <li>• You or your spouse cannot be enrolled or have a remaining balance in a general-purpose Health Care FSA</li> <li>• Cannot be covered by any other insurance that reimburses for health expenses (unless another HSA-qualified plan)</li> <li>• Cannot be enrolled in Medicare (Part A, B, or D) or Medicaid</li> <li>• Cannot be eligible to be claimed as a dependent on another person's tax return</li> <li>• Must be over 18 years of age</li> </ul>	<ul style="list-style-type: none"> <li>• IRS HSA-qualified medical expenses, including dental &amp; vision, <u>incurred</u> by yourself, spouse, or a tax dependent<sup>1</sup> <u>on or after account opened</u>; HSA-qualified medical expenses include:               <ul style="list-style-type: none"> <li>○ Medical premiums only if collecting unemployment or continuing coverage through COBRA</li> <li>○ Medicare Part B and Part D premiums</li> <li>○ Medicare Advantage premiums</li> <li>○ Many Medicare supplement plan premiums</li> <li>○ Long-term care insurance premiums</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Funded by Town &amp; employee; this year, Town contributes \$1,000 for individual plan &amp; \$2,000 for family plan in first month of plan coverage</li> <li>• Can only use funds that have already been contributed to the account (<i>but health care providers regularly agree to payment plans as long as you ask!</i>)</li> <li>• No time limit on reimbursements or spending funds</li> <li>• You don't need to remain HSA-eligible to make tax-free distributions</li> <li>• Interest-bearing, portable (keep post-employment), inheritable, investible (after min balance) account owned by employee</li> <li>• Linked to Health Plan account, so provider payments can be made online</li> <li>• Cash out feature (20% IRS penalty)</li> </ul>	<ul style="list-style-type: none"> <li>• \$3,650 2022 Max Contribution for Individual Coverage (including employer contribution)</li> <li>• \$7,300 2022 Max Contribution for Family Coverage (including employer contribution)</li> <li>• If 55 years of age or turning 55 in 2022, add \$1,000 to total contribution limits</li> <li>• <b>Can</b> change payroll contribution throughout Plan Year (no qualifying event required)</li> <li>• Administrative fee paid by Town while enrolled in HSA-Qualified plans. Post-employment or after returning to non-HSAQ plan, admin. fees paid by employee (currently \$3.95 per month, but waived for account balance over \$2,500 if waiver is elected)</li> <li>• Paper statement fee (if elect paper instead of free electronic statement): \$1 per statement</li> <li>• Account closure fee: \$25</li> </ul>
Health Care FSA Flexible Spending Account (HC-FSA)  • <i>Cafeteria Plan Advisors</i>	<ul style="list-style-type: none"> <li>• You and/or your spouse <b>cannot</b> contribute to, or have a balance remaining in, a general-purpose Health Care FSA while also contributing to an HSA</li> </ul>	<ul style="list-style-type: none"> <li>• IRS FSA-qualified medical expenses, including dental &amp; vision, <u>incurred in plan year</u> by:               <ul style="list-style-type: none"> <li>○ You, your spouse, your child under age 27 and eligible dependent, as defined by the IRS</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Full election amount is available for eligible expenses on 1<sup>st</sup> day of Plan Year</li> <li>• Funds must be used by end of Plan Year (with 90 days to file claims), except \$570 can roll to new year if re-enroll with additional contributions; Use-it or lose-it</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,850 contribution limit in Plan Year</li> <li>• <b>Cannot</b> change payroll contribution during Plan Year w/out qualifying event</li> <li>• <b>Fee:</b> \$6.00 per month, collected via bi-weekly pay deductions</li> </ul>
Limited Purpose Health Care FSA Flexible Spending Account (LPHC-FSA)  • <i>Cafeteria Plan Advisors</i>	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• IRS FSA-qualified dental &amp; vision expenses only, <u>incurred in plan year</u> by:               <ul style="list-style-type: none"> <li>○ You, your spouse, your child under age 27, and eligible dependent, as defined by the IRS</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Full election amount is available for eligible expenses on 1<sup>st</sup> day of Plan Year</li> <li>• Funds must be used by end of Plan Year (with 90 days to file claims), except \$570 can roll to new year if re-enroll with additional contributions; Use-it or lose-it</li> </ul>	<ul style="list-style-type: none"> <li>• \$2,850 contribution limit in Plan Year</li> <li>• <b>Cannot</b> change payroll contribution during Plan Year w/out qualifying event</li> <li>• <b>Fee:</b> \$6.00 per month, collected via bi-weekly pay deductions</li> </ul>
Dependent Care Flexible Spending Account (DC-FSA)  • <i>Cafeteria Plan Advisors</i>	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• IRS FSA-qualified child or adult dependent care expenses, <u>incurred in plan year</u> for:               <ul style="list-style-type: none"> <li>○ Dependent under age 13 or other tax dependent who is physically or mentally incapable of self-care</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Can only use funds that have already been contributed to the account</li> <li>• Funds must be used by end of Plan Year (with 90 days to file claims)</li> <li>• Use-it or lose-it</li> </ul>	<ul style="list-style-type: none"> <li>• \$5,000 limit per household; \$2,500 if married filing separately</li> <li>• Payroll contribution can be changed during Plan Year if based on a change in dependent care needs. <b>Fee:</b> \$5.00 per month, but waived if combined with health/limited-health FSA; collected via bi-weekly pay deductions</li> </ul>

<sup>1</sup> Note that children under age 27 can be covered under a family health plan, but tax-free disbursements may not be made from your HSA for their expenses unless they are claimed as dependents on your tax return or could have been claimed except for certain circumstances, as defined by the IRS.



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May 3, 2022

## Flexible Spending Account Open Enrollment & Changes

- **May 25 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, 2022 – June 30, 2023 plan year. **Please note that this is a 13-month period, implemented to align with the changing health insurance 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. To enroll, complete an "Authorization for Pre-Tax Payroll Reduction" and send it to Cafeteria Plan Advisors directly or complete enrollment in the ADP employee self-service portal.

**The open enrollment period for our Flexible Spending Account plans will run through May 25, 2022.** 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 or make an election in ADP by May 25<sup>th</sup>.

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 9, 2022. 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 their 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.**

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



It's Time to  
Enroll for the  
2022-2023  
Plan Year!

# Flexible Spending Benefits Town of Concord

## One of the Few Gifts the IRS Gives!

Discover the benefit that SAVES YOU MONEY. This perk allows you to set aside a portion of your pay—**BEFORE TAXES**—to cover out-of-pocket expenses in these categories:

- ◆ **HEALTH CARE.\*** Eligible expenses and services include: non-cosmetic medical, dental, and vision care services; prescription medications; over-the-counter 'medicines' (not vitamins or supplements); orthodontics; prescription eyeglasses, contact lenses, laser eye surgery; alternative health therapies (e.g. chiropractic, acupuncture); mental health services, and **MORE!**

**Max. Annual Health Care Election: \$2,850.**

— OR —

- ◆ **LIMITED PURPOSE HEALTH CARE.\*** This plan option is for those not eligible for the Health Care FSA plan due to a Health Savings Account ("HSA") in the family (see *HSA Ineligibility* note below), and it is limited to eligible, non-cosmetic **dental** and **vision expenses**.

**Max. Annual Health Care Election: \$2,850.**

**Who's Covered?** The Health Care FSA plans cover you, your legal spouse, and your dependents, as defined by the Internal Revenue Service, including those claimed on your tax return and adult children under age 26.

**Rollover Option.** Health Care FSA balances—**up to \$570**—will roll over to the new plan year as long as you re-enroll for that next plan year. Funds roll over after the prior plan year's 90-day run-out deadline. (Note: The rollover limit for the 2021-2022 plan year is \$550; re-enrollment is required for funds to roll over.)

**HSA Ineligibility.** If you or your spouse have a Health Savings Account ('HSA'), you may only enroll in the Limited Purpose FSA.

- ◆ **DEPENDENT CARE.\*\*** For qualified childcare expenses of dependent children under age 13, elderly dependents, and dependents with special needs. Eligible expenses include day care, pre-school, before/after school care, day camp, and elder day care.

**Max. Annual Dep. Care Election: \$5,000. per family.**

Annual FSA administrative fee: \$72 (\$60 for Dep. Care only) via payroll deduction.

Make Your  
Money Go

UP  
TO **30%**

Further!

depending on your  
tax status

Enroll by **5/25/2022**  
for the  
**6/1/2022 – 6/30/2023**  
Plan Year

**Complete** an "Authorization for Pre-Tax Payroll Reduction" form and send it to **Cafeteria Plan Advisors** by the deadline above.

**Already in the plan?** Log-in to your online account portal via our website: **www.CPA125.com**—*not the app!* On your account home page, click the **ENROLL/RE-ENROLL** button; follow the steps to enroll for the new plan year, and click **SUBMIT** at the end.

**Note: Re-enrollment is not automatic.**

**Benefit Cards.** New Health Care and Limited Purpose FSA plan enrollees will receive **2 cards** that can be used at most medical facilities, dental offices, optical shops, and pharmacies for eligible expenses, as applicable.

**Keep your cards!** They will reload each plan year that you enroll.

**Track Your Account  
and File Claims 24/7!**

Log in to your **employee portal** via our website (**www.CPA125.com**), or use our **app: CPA Flex Mobile**.



\* Not all Health Care expenses are FSA-eligible, such as cosmetic procedures or products *even if performed or dispensed by a doctor* (e.g. Botox, teeth whitening, veneers, etc.), couples/family counseling, general health/wellness expenses (i.e., toothbrushes, non-prescription sunglasses, gym dues, etc.), and federally non-permissible products. Some expenses, such as medical equipment and some services, may be FSA-eligible with a physician's Letter of Medical Necessity. Visit <https://fsastore.com/CPAEligibility> for more info. on FSA-eligible products & services incl. an A-Z look-up tool.

\*\* Overnight camp and school tuition are not FSA-eligible; day camp is eligible when utilized as childcare in order for the parent(s)/guardian(s) to be able to work; extra-curricular and enrichment programs/activities that aren't daycare/childcare based are not eligible; monies paid to a provider who doesn't report the funds as income on his/her taxes aren't FSA-eligible.

Flexible Spending Plans administered by...

CAFETERIA PLAN ADVISORS

420 WASHINGTON ST., SUITE 100, BRAINTREE, MA 02184

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