

Enroll within  
30 days of  
your Qualified  
Event

# Flexible Spending Benefits Town of Reading

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

**Max. Annual Health Care Election: \$3,400**

**Who’s Covered?** 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.

**Benefit Cards.** For employer plans that offer the benefit card, new Health Care FSA enrollees will receive **2 cards** that can be used at most medical facilities, dental offices, optical shops, and pharmacies to pay for eligible expenses. **Keep your cards!** They will reload each plan year that you enroll.

**Rollover Option.** Health Care FSA balances—**up to \$680**—will roll over to the next plan year as long as you re-enroll for that new plan year. Funds roll over after the prior plan year’s 90-day claim submission period has ended.

**HSA Ineligibility.** If you or your spouse have a Health Savings Account (‘HSA’), you are **NOT** ELIGIBLE to participate in the Health Care FSA plan.

- ◆ **DEPENDENT CARE FSA.\*\*** For qualified **day care** expenses for eligible dependents (as defined by the IRS) 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. *Claim-based reimbursement plan (no benefit card); participants must submit claim(s) to receive accrued funds.*

**Max. Annual Dep. Care Election: \$7,500 per family.**

Annual FSA administrative fee of \$60 is paid via payroll deduction and prorated based on time in-plan.

Make Your  
Money Go  
UP  
TO **30%**  
Further!  
depending on your  
tax status

For eligible expenses  
incurred between your  
Qualified Event Date  
and **12/31/2026**.\*\*\*

- ▶ **To ENROLL or MAKE QUALIFIED CHANGE(S):** Complete a *New Hire/Change of Status Form* & return it to **Human Resources** within 30 days of your Date of Hire or Qualified Event.

– IMPORTANT –

**Re-enrollment is NOT automatic!** To participate in the FSA plan(s) after the end of the current plan year (see above), you must **actively re-enroll** during your employer’s annual open enrollment period.

### Set up Direct Deposit

Direct deposit the quickest, most efficient reimbursement method when submitting claims for eligible, out-of-pocket expenses. Please add your banking info. to your online account profile once you receive your enrollment confirmation e-mail.

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

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

\* Not all Health Care expenses are FSA-eligible, such as: cosmetic procedures or products (e.g. Botox, teeth whitening, veneers, etc.), couples/family counseling, general health/wellness expenses (i.e., toothbrushes, toothpastes, non-prescription sunglasses, gym dues, etc.), and federally non-permissible products. Some healthcare-related expenses, such as medical equipment and some services, may require a physician’s Letter of Medical Necessity in order to be FSA-eligible. Visit <https://buyfsa.com/blogs/fsa-hsa-eligibility-list> for more info. on eligibility of specific products and services.

\*\* Overnight camp and school tuition for kindergarten and above are not FSA-eligible; day camp is eligible when utilized as a form of 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; money paid to a childcare provider who doesn’t report it as income on their taxes is not FSA-eligible.

\*\*\* Cafeteria Plan Advisors holds flex-spending (FSA) funds until eligible expenses are incurred and claim(s) submitted. Funds may be forfeited in accordance with IRS Publication 969 if eligible expenses are not incurred by the plan year deadline through the use of the provided debit card (if applicable) or claim submission, or the date upon which employment ends, whichever comes first.