

# Town of Lunenburg

## Flexible Spending Open Enrollment

Enroll now through October 16, 2015



### EXCITING NEW FEATURE!!!!

- ROLL OVER

Your plan contains the **\$500 Roll Over** option. Remaining balances up to \$500 will roll over into the subsequent plan year. The roll over will occur "after" the current plan run out period of 90 days. You must enroll in the subsequent plan year to utilize funds that are rolled.

- DEBIT CARD

When you sign up for the Medical/Dental Account you will receive a debit card which will contain the full amount you elected for the plan year ready for use on October 1st. You may use the debit card to pay for eligible expenses at the point of sale: the pharmacy, doctor's office, dentist office, eye wear retailer, etc. This will mean real time use of your money without having to submit receipts for reimbursement.

## What is Flexible Spending?

Flexible Spending Account plans are a tremendous opportunity for you to enhance your benefits package. Your employer knows that these are highly beneficial programs and wants you to have the opportunity to participate in an IRS Section 125/Flexible Spending Account Plan administered by Cafeteria Plan Advisors, Inc. (CPA, Inc.) for the plan year of November 1, 2015 through October 31, 2016. Most employees pay for expenses such as dependent care, medical/dental care on an after tax basis. These programs allow you to set aside a portion of your paycheck tax free to pay for those expenses that are incurred in the plan year. The result is a reduction in your taxable income, which will give you an increase in your take home pay. Don't miss out on this opportunity to save between 28-34% in taxes.

### Medical/Dental Account

Employees may set aside **up to \$2,550** per plan year to pay for out-of-pocket medical/dental expenses for themselves and their family members. Examples include:

- Copays for office visits and prescription drugs
- Deductible expenses
- Orthodontia and other dental expenses
- Contact Lenses, eye glasses, laser eye surgery
- Visits for Chiropractic Care or Acupuncture

### Dependent Care Account

Employees can set aside up to \$5,000 per plan year to pay for out-of-pocket dependent care expenses for children under the age of 13 or elderly parents. This includes:

- Day Care
- Before School Care & After School Care
- Summer Day Camp
- Elder Care

Although you can claim dependent care expenses when you file your taxes, in most cases, people are able to save more money this way. Please consult your tax advisor. A dependent Care Claim is required for reimbursements each plan year.

# How to Enroll in your Flexible Spending Account

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## **Current Participants – Re-enroll On-Line:**

Current participants who have already set up their log in just click enroll in your consumer portal. Participants who have never set up their log in follow instructions below.

- Copy and paste this link: <https://cpaemployee.lh1ondemand.com>
- Username = (all lower case) first initial of first name, full last name and last 4 digits of SS# (example: ksmith1226)
- Password = enter exactly the same as you did above
- You will be prompted to change your password in the next screen
- Follow the commands to complete your enrollment process
- Current participants who wish not to enroll online can follow instructions below

## **New Enrollee's - Paper Enrollment:**

- Use enrollment form sent with enrollment memo or log on to [www.cpa125.com](http://www.cpa125.com) to download a form
- Fax completed form directly to CPA, Inc. at 781-848-8477 , or
- Mail completed enrollment form directly to CPA, Inc., 420 Washington St, Suite 100, Braintree, MA 02184
- Call 781-848-9848 with questions
- You will receive an email once we enter your form into the system

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## **IMPORTANT - Please Note The Following:**

- Due to a change in IRS regulations, the maximum amount allowed for Medical/Dental Accounts was increased to \$2,550 effective 2015.
- Do not throw away your Benny card! If you re-enroll next plan year, the same card will be reloaded with your elected amount for that plan year. There is a replacement fee if you need to request a new card or need additional cards.
- Your plan year is 11/1/2015 – 10/31/2016 as this is a one year commitment. The plan does not renew automatically. If you would like to enroll, you need to do so before October 16th.
- You cannot change your elected amount during the plan year unless you have a qualifying event and notify CPA, Inc. within 30 days. If your employment ends, your FSA ends. Expenses need to be incurred during the plan year.
- If you do not use it you lose it. Please be conservative when deciding how much money to set aside for Medical/Dental and Dependent Care Expenses.
- If you do not spend your money by the end of the plan year, you could be in danger of forfeiting your money. If you re-enroll the next plan year, funds \$500.00 or under in your **medical account** will be rolled into the next plan year after the 90 day run out after 10/31.