

### Flexible Spending Accounts Grow In Popularity

(NAPSA)—For a growing number of people, the key to affordable health care is flexibility—particularly when it comes to how they spend their money. Flexible spending accounts (FSAs) and health savings accounts (HSAs) are made available by many U.S. employers as part of company health benefits.

FSAs allow an employee to set aside a portion of his or her pretax earnings to pay for health care expenses not covered by health insurance plans. This includes common costs covered by FSAs and HSAs like prescription drug co-payments and over-the-counter products ranging from cold and flu remedies and allergy treatments to eye care products and blood pressure monitors.

Since the money deducted from an employee's pay into an FSA is not subject to payroll taxes, employees who participate in these programs can save quite a bit of cash. Virtually all FSAs and HSAs have "use it or lose it" policies that establish annual deadlines to redeem the available funds; these policies are determined by individual employers but many are arranged to correspond with the calendar year, meaning employees can access these funds throughout the year, but all funds not used on or before December 31 are lost to the account holder.

Keeping track of what funds are available during the course of the year can be challenging—but for those wishing to save money, it's worth the effort. Some drugstores are even introducing new systems to help consumers take advantage of these programs and reduce health costs. For example, CVS/pharmacy, America's largest retail pharmacy, announced a new



**Flexible spending accounts (FSAs) allow an employee to set aside pretax earnings to pay for health care.**

initiative that makes it easier for consumers enrolled in flexible spending accounts and health savings accounts (HSAs) to save money and track eligible health purchases.

Effective immediately, all CVS/pharmacy shoppers will receive new, easy-to-read register receipts that highlight prescription medicines, over-the-counter (OTC) remedies and other qualifying purchases so they can be easily identified and tracked with a special FSA symbol indicating which items are eligible for FSA/HSA redemption.

To make it even easier for participants to follow their spending and understand how much funds have been used, the pharmacy's register receipts will also present separate subtotals for items that are FSA/HSA eligible.

This initiative is part of the pharmacy's ExtraCare program, which also rewards shoppers with special coupons and free "CVS money" called Extra Bucks. The program's members can call a toll-free number (1-800-SHOP-CVS) to receive private lists of FSA-eligible purchases. To learn more, visit the Web site at [www.cvs.com](http://www.cvs.com).