

## Flexible Spending Account – Changes Summary for FY20 and FY21

As a result of the pandemic and delayed medical services, the IRS has granted additional flexibility for Flexible Spending Accounts (FSAs). Here is what you need to know:

**HCFSA** – Healthcare FSA

**FY20** – July 1, 2019 thru June 30, 2020

**DCFSA** – Dependent Care FSA

**FY21** – July 1, 2020 thru June 30, 2021

- **The Grace Period for HCFSA & DCFSA will be extended through December 31, 2020**
  - Members will be allowed to use their FY20 FSA dollars for expenses incurred through December.
  - You did not have to reenroll for the FY21 FSA to have access to this grace period.
  - If you did enroll for FY21, Navia will apply expenses to the oldest dollars first then start applying them to your new plan year dollars.
  - The HCFSA \$500 rollover will be calculated after December 31<sup>st</sup> and available for expenses incurred January 1 – June 30, 2021.
  
- **Additional enrollment/disenrollment/increase/decrease opportunity**
  - Members will be allowed one (1) additional opportunity to enroll/disenroll, increase/decrease their HCFSA and/or DCFSA elections outside of the Open Enrollment period with **NO** qualifying event between July 1 – December 31, 2020.
    - This includes increasing/decreasing FSA elections made during Open Enrollment. (**NOTE** No person will be allowed to reduce their HCFSA less than the amount already expended – For example: If you spend \$2,000 in HCFSA in July for a procedure, you may not stop/reduce your election until you have contributed the full amount expended. All change requests will be reviewed by OGI.)
    - In most cases, contributions begin the first payroll cycle following enrollment. New enrollees can claim expenses incurred from the effective date of enrollment through the end of the plan year, June 30, 2021. (For example: If you enroll in the HCFSA in October, your eligible expenses will be those incurred October through June.)
  - All enrollment will be subject to the per pay period maximums noted on the enrollment forms.
  - Enrollment/disenrollment and increase/decrease after December 31, 2020 will be subject to IRS approved qualifying life events.
  
- **Over-the-Counter (“OTC”) products as eligible expenses permitted without a prescription and menstrual care products**
  - Beginning immediately and continuing for future plan years, members will be able to seek reimbursement for purchase of these eligible products.