

FSAFEDS Expanded Flexibilities for Plan Years 2020 and 2021

Benefit	Current Policy	Changes	Resource
2021 ELECTION PERIOD Flexible Spending Account Program (FSAFEDS)	Election changes permitted during the plan year (PY): <ul style="list-style-type: none"> Participants may enroll, change or cancel their election as a result of a Qualifying Life Event (QLE) Election or change must be made within 60 days of the QLE 	Additional opportunity outside of a QLE: <ul style="list-style-type: none"> Special Enrollment Period (SEP) from June 1, 2021 to June 30, 2021 during which eligible employees may newly enroll and enrolled participants may change (increase or decrease) their HCFSAs, LEX HCFSAs, or DCFSAs annual election(s). <i>New enrollments are prospective – effective the first day of the following pay period after acceptance by FSAFEDS. Changes are retroactive to employee’s most recent 2021 effective date.</i> 	BAL 21-802
2020 AND 2021 GRACE PERIOD Dependent Care Flexible Spending Account (DCFSA)	<ul style="list-style-type: none"> 2020 Grace Period ends March 15, 2021 2021 Grace Period ends March 15, 2022 	<ul style="list-style-type: none"> 2020 Grace Period extended through December 31, 2021 2021 Grace Period extended through December 31, 2022 	
2021 ANNUAL CONTRIBUTION LIMIT Dependent Care Flexible Spending Account (DCFSA)	<ul style="list-style-type: none"> \$5,000 per household <i>\$2,500 per individual if married and filing separate returns</i> 	<ul style="list-style-type: none"> \$10,500 per household <i>\$5,250 per individual if married and filing separate returns</i> 	
2020 AND 2021 CARRYOVER LIMIT Health Care Flexible Spending Account (HCFSA) and Limited Expense Flexible Spending Account (LEX HCFSA)	<ul style="list-style-type: none"> HCFSA and LEX HCFSA carryover limit is \$550, if participants re-enroll for the 2021 plan year. 	<ul style="list-style-type: none"> Carryover amount is not subject to the \$550 cap. Re-enrolled participants may carry over unused funds from PY2020 for use in PY2021, and then again from PY2021 to PY2022. Participants must re-enroll in 2022 to use the 2021 carryover funds. Participants with a carryover from PY2020 who did not re-enroll until the SEP may only use the PY2020 carryover funds prospectively. 	
2020 AND 2021 MAXIMUM AGE Dependent Care Flexible Spending Account (DCFSA)	<ul style="list-style-type: none"> Under 13 is the maximum age for eligible children 	<ul style="list-style-type: none"> Maximum age changed to children under 14 for PY2020. Unused funds at the end of 2020 can be used for an “aged out” dependent child until that child turns 14 and for dependents who turn 13 during 2021. To do so participant must have enrolled in a DCFSA in 2020 <u>and</u> have a dependent who turned 13 during 2020. 	

NOTE: FSA allotments are adjusted prospectively and prorated over the remaining pay periods for participants who enroll or change their election.