

Carryover of Unused Contributions

- For Medical and Dependent Care accounts, employees may carryover 100% of unused 2020 contributions to be used in the 2021 plan year. The carryover period extends through December 31, 2021.
- For Medical and Dependent Care Accounts, employees may carryover 100% of unused 2021 contributions to be used in the 2022 plan year. The carryover period extends through December 31, 2022.

Grace Period Extension from 2 ½ months to 12 months for Dependent Care Account

- For Plan year beginning on 1-1-2020, the standard grace period is extended for 12 months after the end of the plan year with the filing deadline of 3-31-2022
- For Plan year beginning on 1-1-2021, the standard grace period is extended for 12 months after the end of the plan year with the filing deadline of 3-31-2023

Post-Employment Medical Spending Account Reimbursements

- Plan year 1-1-2020 thru 12-31-2020 - terminated employees with unused contributions who terminate in 2020 will be able to continue to be eligible to file claims with dates of services after their termination date up to the end of the plan year. All eligible services must have been incurred in the 2020 plan year. All other plan rules apply.
- Plan year 1-1-2021 thru 12-31-2021 - terminated employees with unused contributions who terminate in 2021 will be able to continue to be eligible to file claims with dates of services after their termination date up to the end of the plan year. All eligible services must have been incurred in the 2021 plan year. All other plan rules apply. Claims must be submitted by 3-31-2022.

Example: member terminated Oct. 2020, they can continue to incur eligible expenses through the remainder of the 2020 plan year (12-31-20) to exhaust any unused contributions. Claims must be submitted by the claim submission deadlines noted above for the respective plan year.

Increased Age Limit for Dependent Care Participation

- Dependent Care reimbursements are available until age 14 rather than until the standard age 13. The age extension provides opportunity for reimbursement of qualified child care expenses for children reaching age 13 on or after March 1, 2020.

The age extension continues through December 31, 2021.

Mid-Year Enrollment Changes

- Allowing prospective election change requests made between 1-1-2021 and 12-31-2021 to increase or decrease salary reduction amount for both the healthcare and dependent care flexible spending accounts without a qualified status change event.

Any change that reduces coverage will be limited to the greater amount of the amount reimbursed or current payroll contributions to the plan.

New enrollment or termination of participation is allowed ONLY with qualified status change events.