



2021 Flexible Spending Account Legislative Change

Employee Benefits Office

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COVID Relief Bill

Legislation, signed on 12/27/2020, contained a number of provision intended to allow flexibility in how Flexile Spending Accounts, Limited Medical Reimbursement Accounts and/or Dependent Flexible Spending Account participants' 2020 and 2021 contributions are administered.

- Email dated 01/15/2021 contained a memo outlining the changes; following is a summary of that communication and the modified legislative provisions
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2020 Timeline Extension

- Allowed plan administrators to extend the submission of claims for allowable 2020 expenses through the end of 2021.
 - Submit 2020 receipts for either FSA/LMRA or DCRA through HealthEquity's webportal at:
 - www.healthequity.com
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Example 1

- Employee contributed \$1,500 into an FSA during the year 2020, but to date, has only used \$475
 - Employee can apply the 2021 expenses to the 2020 contributions
 - Extension ends on **12/31/2021**
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Example 2

- Employee contributed \$3,000 into a dependent care account and used \$1,000 before closure of the day care due to the pandemic
 - Employee can apply any allowable 2021 expenses toward the remaining \$2,000 balance
 - Please review allowable day care expense list on the HealthEquity Website at:
www.healthequity.com
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2021 Contributions

- Creates an opportunity for participants to modify their 2021 contributions at any time (or multiple times) during 2021.
 - Because of the extension of 2020 contributions, participants may want to consider modifying their 2021 paycheck contributions
 - Contribution changes are completed through Benefitbridge.com/saccounty
 - Please see the instructions provided in the email
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Example 3

- Participant has \$750 remaining in their 2020 FSA account
 - Participant also elected an additional \$1,500 for 2021
 - Participant reduces the 2021 contributions to \$750, allowing \$1,500 in reimbursement for the year 2021
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Dependent Age Limit Increase

- Legislation increased the age limit for qualified dependents to age 14
 - Allowable expenses for dependent care may now include children up to age 14
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2022 Reset

- All changes discussed are for the calendar year 2021
 - Unless/until additional legislation is enacted, all previous plan provisions will restore effective 1/1/2022
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Resources

- HealthEquity – Review allowable expenses, submitting claims, checking account balance:
 - Webportal: myhealthequity.com
 - Benefitbridge website – Modifying 2021 contributions: benefitbridge.com/saccounty
 - Mybenefits@saaccounty.net or 916-874-2020
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Questions

