

Relief for COVID-19

On December 27, 2020, in response to the COVID-19 pandemic, Congress passed the Consolidated Appropriations Act of 2021. This Act provides additional temporary relief to Health Flexible Spending Accounts and Dependent Care Flexible Spending Accounts. Below are the provisions your employer is temporarily adding to your plan.

Remove the Maximum Limit on the FSA Carry Forward

Under the new legislation, the maximum carry forward limit is temporarily removed, which allows you to carry forward any unused funds from your Health FSA. This applies to the 2020 and the 2021 plan year.

Add the Carry Forward Provision to the Dependent Care FSA

While the Carry Forward typically only applies to the Health FSA, this legislation allows for the carry forward to be temporarily added to your Dependent Care FSA. As a result, you will be able to carry forward unused funds from your Dependent Care FSA into the next plan year, giving you more opportunity to exhaust your funds. This provision applies to the 2020 and 2021 plan year.

Increase the Dependent Care FSA Eligibility Up to Age 14

Under this provision, Dependent Care FSA participants can receive reimbursement for a dependent child's expenses up until the child reaches age 14. Claims for dependents over age 14 will not be reimbursable. This provision applies to the 2020 and 2021 plan year.

Change Your Election Amount

Health FSA and Dependent Care Participants can make the following changes: revoke an election, make a new election, or decrease or increase an existing election. This provision applies to the 2020 and 2021 plan year.