

HRA Tips for Flexible Spending Accounts

New Hire Enrollment

- ✓ Please give all new hires the [FSA brochure](#).
- ✓ Enrollment is effective the month after the enrollment is approved in Workday.
- ✓ Please review all FSA enrollments to see if the dollar amount is very low or very high given the number of remaining months of the year.
- ✓ Employees may change the amount if coverage has not yet become effective. Example – the employee is hired 8-24 and enrolls on 8-25. The employee can change the dollar amount or cancel coverage if done by 8-31. No changes can be made as of 9-1 without a life event.

Life Events

- ✓ Employees may enroll or make changes due to qualifying life events.
- ✓ Changes must be made within 30 days of the event.
- ✓ If an employee enrolls or makes changes due to a life event, the employee may make further changes to the amount if coverage has not yet become effective. Example - The employee has a life event on 8-24 and enrolls on 8-25. The employee can change the dollar amount or waive coverage if done by 8-31. No changes can be made as of 9-1 without another life event.
- ✓ When reviewing life events, make sure the change is consistent with the event selected. Example - The employee uses “Dependent/Spouse loses health and/or dental coverage” and then attempts to waive or lower the existing FSA annual election. The event doesn’t match the change the employee is trying to make.

Carryover – Health Only

- ✓ The carryover is for health flex only. Employees can carry over up to the maximum amount from one plan year to the next. The maximum amount from 2023 to 2024 is \$570. The maximum from 2024 to 2025 is \$610.
- ✓ Carryover dollars are used first, before any new contributions are used.
- ✓ Carryover dollars must be used for expenses incurred in the next calendar year. Any carryover dollars not spent will be forfeited. Example – an employee carries over \$500 from 2023 into 2024. If the employee submits \$400 in claims incurred in 2024, \$100 will be forfeited.
- ✓ Carryover coverage terminates at the end of the month in which the employee terminates employment.

Grace Period – Dependent Care Only

- ✓ Employees can incur claims through March 15th of the year following the year of coverage. Example – the employee enrolls for \$5000 in 2023. The employee spends \$4000 in 2023. The employee can incur claims up to \$1000 through 3-15-24 and be reimbursed with 2023 deductions.

Termination of Employment – Health Flex

- ✓ Coverage ends at the end of the month in which the person makes the last deduction. Example – The employee terms 8-24 and the final deduction is 9-2, so coverage ends 9-30.
- ✓ Employees are allowed to file claims for more than they contributed year-to-date, but not in excess of their annual election. Such employees are not required to make additional contributions after their final paycheck.
- ✓ Employees who retire have the option to prepay for the rest of the calendar year with their final check. Completed [forms](#) should be sent to DAS-HRE, FSA administrator.
- ✓ Please give all terminating employees who have FSA a [brochure](#) so they have information about FSA after leaving employment.

Termination of Employment – Dependent Care Flex

- ✓ Coverage ends at the end of the month in which the person makes the last deduction. Example – the employee terms 8-24 and the final deduction is 9-2, so coverage ends 9-30.
- ✓ Employees are not allowed to file claims for more than they contributed year-to-date. They can continue to file claims after termination to the extent of their contributions if they are either working elsewhere or actively looking for work.
- ✓ Employees who retire do not have the option to prepay for the rest of the calendar year.
- ✓ Please give all terminating employees who have FSA a [brochure](#) so they have information about FSA after leaving employment.

Claims Deadline

- ✓ All claims must be filed by April 15th of the year after the plan year. If the 15th falls on a weekend, the period is extended to the first business day thereafter.
- ✓ This is true for current employees and employees who terminated employment during the plan year.