

## May 2021 Flexible Spending Account (FSA) Changes



**Personal Protective Equipment (PPE)** - PPE is now a covered expense under the Health FSA plan retroactive to Jan 1, 2020. Retroactive application applies only during months in which the employee participated in health FSA. For instance, if someone enrolled in health FSA for July 2020, any expenses for PPE incurred prior to July 2020 would not be covered.

### Deadline Changes

FSA Plan	Calendar Year of Contribution	Revised Deadline to Submit Claims Incurred in Year of Contribution	Period to Incur Claims on Contributions
Health	2020	4-15-2021 or 60 days after National Emergency (NE) ends, up to 1 year	1/1/2020 - 12/31/2020; carryover of all remaining 12/31/2021
	2021	4-15-2022 or 60 days after NE ends, up to 1 year	1/1/2021 - 12/31/2022; carryover of all remaining 12/31/2022
	2022	4-15-2023 or 60 days after NE ends, up to 1 year	1/1/2022 - 12/31/2022; carryover of \$550 - 12/31/2023
Dep Care	2020	4-15-2022 or 60 days after NE ends, whichever is later	1/1/2020 - 12/31/2021
	2021	4-15-2022 or 60 days after NE ends up to 1 year	1/1/2021 - 12/31/2022
	2022	4-15-2023 or 60 days after NE ends up to 1 year	1/1/22 - 3/15/2023

## April 2021 Flexible Spending Account Changes

In addition to the 2021 flexible spending account (FSA) changes announced in the [January edition](#) of HRExpress, DAS is pleased to announce an additional enhancement to the dependent care FSA plan.

**For 2021 only**, the dependent care maximum contribution limit will increase from \$5,000 to \$10,500. For married persons filing separate tax returns, the limit increases from \$2,500 to \$5,250. The limit will revert back to \$5,000 and \$2,500, respectively, for 2022.

If you wish to take advantage of the higher limit, you may enroll or increase your current election by logging into [IowaBenefits](#) and using “day care change” as your event. Enrollments and changes are effective the month after they are submitted in IowaBenefits. Changes must be made in IowaBenefits before May 1 to be effective in May. Changes made in May will be effective for June, and so on.

## January 2021 Flexible Spending Account Changes

Several changes have been made to the State of Iowa Flexible Spending Account (FSA) plans for 2021 as a result of the COVID-19 pandemic.

- **Election changes may be made in IowaBenefits without a qualifying life event as follows:**
  - Those currently enrolled in the Health FSA and/or the Dependent Care FSA plan may increase, decrease, or cancel their 2021 election.
  - Those not currently enrolled may enroll in either or both plans.

- Changes to a Health FSA may be made using the life event “Other Change.”
  - Changes to a Dependent Care FSA may be made using the life event "Day Care Change."
  - Election changes are effective for paychecks paid and claims incurred the month after the month the change is made in IowaBenefits. For example, for a change to be effective in February, the change must be submitted in IowaBenefits on or before 1/31/2021. Changes submitted after that date will be effective for the following month.
- **The Health FSA carryover amount has been increased** to include all unused 2020 contributions. Participants enrolled in the Health FSA for 2020 may incur claims through December 31, 2021, and use funds contributed in 2020. See [additional information on the carryover provision](#).
  - **Dependent Care FSA changes:**
    - The grace period has been extended from March 15, 2021, to December 31, 2021. Participants may incur claims through December 31, 2021, and use funds contributed in 2020.
    - Claims may be submitted for dependents under the age of 14 or eligible dependent adults. This increases the maximum age for children from under 13 to children under 14 and for expenses reimbursed with 2020 contributions.
  - **Cancelled coverage:** Employees and former employees who cancelled coverage for either plan may submit claims for expenses through December 31, 2020, regardless of the month coverage was cancelled.

More information is available on the [DAS Flexible Spending Accounts](#) web page. If you have further questions, contact your [Human Resources Associate](#).