

EMPLOYER QUESTIONNAIRE



GROUP: _____

These changes will take place immediately unless otherwise indicated

Adoption of COVID RELIEF 2021 - Rule Changes

Extension of the COVID-19 Relaxed Rules for Health and Dependent Care Flexible Spending Arrangements

Grace Period Extension:

A plan that includes a health FSA or Dependent Care FSA may extend the grace period for a plan year ending in 2020 or 2021 to 12 months after the end of such plan year, with respect to unused contributions remaining in either account. For example: a 2020 calendar plan year with a Grace Period to March 15, 2021 may extend the Grace Period to December 31, 2021.

We elect to Adopt: _____ (only for plans currently offering the extension)

2.5 month Grace Period Extension to (December 31, 2021 for calendar year plans)

_____ (12 months out from 1st day of plan for non-calendar year plans)

Unlimited Health FSA Carryover:

For plan years ending in 2021, a plan that includes a Health FSA or Dependent Care Account may allow any unused benefits or contributions remaining in either arrangement to be carried over from such plan year to the plan year ending in 2022.

We elect to Adopt: _____ (ONLY for plans currently offering the carryover - unless you wish to change your Grace Period option to the Carryover)

_____ Make our FSA Carryover Unlimited

_____ Add the Dependent Care Carryover \$550

_____ Also make our Dependent Care Carryover Unlimited

Spend-Down for Health FSAs (similar to DCFSA's)

Health FSA plans can now allow an employee who ceases participation in the Health FSA during calendar year 2020/2021 (for example termination of employment) to continue to receive reimbursements from unused contributions for expenses incurred through the end of the plan year during which they ceased participation (including any extended grace period permitted).

We elect to Adopt:

_____ Spend-Down Option for Health FSA accounts

Mid Year Elections/Changes without a Change of Status

For plans ending in 2021. Employers can amend health FSA and Dependent Care FSA plans to allow for changes to annual elections or allow new elections.

We elect to Adopt: _____ *Mid-year elections cannot be retroactive to allow for refunds*

_____ Health FSA Adjustments

_____ Dependent Care Adjustments

_____ Increase the eligibility of dependents to age 14 (instead of 13)

Dependent Care option added with the American Rescue Plan Act

For taxable years beginning after December 31, 2020, and before January 1, 2022, the ARPA increases the annual contribution limit for a dependent care assistance program from \$5,000 to \$10,500. Employers with DCAPs can retroactively amend their plans if it is adopted by the last day of the plan year in which it is effective.

We elect to Adopt:

_____ Increase Dependent Care limit from \$5,000 to \$10,500

_____ or from \$2,500 to \$5,250 for married individuals filing separately.

Signature

Date

NOTE: Documents do not need to be amended until December 31, 2021.
This form will be your documentation until there is further guidance from the IRS.