



NORTH CAROLINA Office of *State Human Resources*



NCFlex FSA Changes

February 2021

Agenda

- FSA Changes – General Info
- HCFSA changes and reminders
- DDCFSA changes and reminders
- Day care QLE reminder
- Screen shot of P&A account – examples
- P&A Account Access and Info
- Wrap Up

Q&A is available on this event – we will respond as quickly and best that we can.

FSA Changes – General Info

In December, in response to the COVID-19 pandemic, Congress passed the Consolidated Appropriations Act of 2021. This Act provides additional temporary relief to the Health Care Flexible Spending Accounts and Dependent Daycare Flexible Spending Accounts.

- We will go over the provisions NCFlex is temporarily adding to your FSAs.
- These changes are automatic and P&A accounts should reflect these changes as of last week. We will go over some key items you will notice in your account due to these changes.
- If you had an active HCFSA and/or DDCFSA on 12/31/2020 and have remaining funds not used in 2020, you should see these changes.

FSA Changes – General Info continued

- For those employees who stopped contributions last year due to “COVID” (no life event) – these accounts have been reopened to allow these changes.
- HCFSA retiree coverage or coverage for anyone who ends employment – same rules apply as before – coverage only continues if COBRA is chosen – COBRA is only available through the end of the plan year in which someone separates from employment.
 - COBRA coverage is paid for with post tax dollars and includes a 2% fee, however, allows additional time to spend funds.
 - The HCFSA is a use it or lose it plan. Spend more than you’ve contributed, and you do not pay this back. Put in more than you spend before leaving and this money is forfeited.

Health Care FSA Changes

- Temporarily allows the rollover of 100% of unused 2020 account balance into 2021. The maximum carry forward limit of \$550 is temporarily removed.
- Temporarily allows the rollover funds to become available immediately.
 - Before, funds were held until after the runout period (filing deadline for prior year, i.e. 4/30/21 for the 2020 plan year).
- Temporarily allows the rollover of 100% of 2021 account balance into 2022. If you have unspent funds in your 2021 Health Care FSA, as well as unspent funds still left over in your 2020 Health Care FSA, those dollars will roll over into 2022 plan year.
- Note: New year funds used prior to rollover funds.

Health Care FSA Changes Cont. & Reminders

- New year funds cannot be used for prior year dates of service. Example: You cannot use 2021 elected contribution amount for any claims dated prior to 1/1/2021.
- You cannot prepay for services.
- You can use 2020 roll over funds for dates of service 1/1/2020 – 12/31/2021 and then 2021 roll over funds (which may be combined with 2020 unused money) for dates of service 1/1/2021 – 12/31/2022.
- New runout period (last date to submit claims) for the 2020 contributions is 4/30/2022.
- Runout period for 2021 contributions is 3/31/2023.

Dependent Daycare FSA Changes

- Your Dependent Care FSA grace period, which gives you additional time to incur eligible dependent daycare expenses and use your funds, is typically March 15. Under the new provision, however, the grace period is extended through December 31st of the following year. This provision applies to the 2020 and 2021 plan years.
- The maximum age is temporarily extended from age 12 to age 13, for dependent care children who aged out in the 2020 plan year. This allows the unused 2020 contributions to be used for children who turned 13 in 2020.
 - Only until they turn 14
- New runout period (last date to submit claims) for the 2020 contributions is 4/30/2022.
- Runout period for 2021 contributions is 3/31/2023.

DDCFSA Changes Cont. & Reminders

- 2020 contributions will be used before 2021 contributions (opposite of HCFSA) for 2021 dates of service.
- New year funds cannot be used for prior year dates of service. Example: You cannot use 2021 elected contribution amount for any claims dated prior to 1/1/2021.
- You cannot prepay for services.
- You can use 2020 funds for dates of service 1/1/2020 – 12/31/2021 with the extended grace period.

Reminder – Day Care Change QLE

- Day care change still remains a life event and is available for employees to adjust their DDCFSA as needed due to changes in daycare status. (add, stop, increase or decrease)
 - Changes cannot go below what has been contributed.
 - If you stop your account and start back in the same year, the new amount chosen in the enrollment system is for the entire year.
 - Example: You stop DDCFSA effective 3/31/21 and have contributed \$500, you then restart your account 8/1/21 and choose \$5000. The payroll system will look at what has already been contributed (\$500) and will take the remaining \$4500 over the remaining pay periods for the year. However, the enrollment system cannot see the amount already contributed and in the enrollment system the display will show a higher deduction amount than your actual payroll deduction.



information.



Benefit Cards



1/1/2020-12/31/2021 HEALTH FSA

Status: Active

Available Balance: \$313.08



1/1/2020-12/31/2021 DEPENDENT DAYCARE A...

Status: Active

Available Balance: \$100.00



1/1/2020-12/31/2021 HEALTH FSA CARRYFOR...

Status: Active

Available Balance: \$550.00



1/1/2021-12/31/2021 HEALTH FSA

Status: Active

Available Balance: \$2,663.31



1/1/2021-12/31/2021 DEPENDENT DAYCARE A...

Status: Active

Available Balance: \$416.67



1/1/2019-12/31/2019 HEALTH FSA

Status: **Inactive**

Available Balance: \$0.00



FSA



Get the most out of your FSA. Visit FSA Store and save \$10 with checkout code "PAS1". Limit one use per customer.

Please note: Participants enrolled in a Limited Health FSA are not permitted to use their account to purchase OTC items per IRS regulations.

Plan Summary

Plan ID: NCFLEX20

Plan type: HEALTH FSA

Plan year start date: 01/01/2020

Plan year end date: 12/31/2020

Final date to submit claims: 04/30/2022

Status: Active

Election amount: \$2,150.00

Available funds: \$313.08

Amount contributed: \$2,150.00

Total of claims submitted: \$1,852.15

Total of claims paid: \$1,836.92

Show/Hide Account Details

DCA

-- Choose an action --

Plan Summary

Plan ID: NCFLEX20

Plan type: DEPENDENT DAYCARE ASSISTANCE

Plan year start date: 01/01/2020

Plan year end date: 12/31/2021

Final date to submit claims: 04/30/2022

Status: Active

Election amount: \$5,000.00

Available funds: \$100.00

Amount contributed: \$5,000.00

Total of claims submitted: \$4,900.00

Total of claims paid: \$4,900.00

Show/Hide Account Details



CRYFRWD

-- Choose an action --

Plan Summary

Plan ID: NCFLEX20

Plan type: HEALTH FSA CARRYFORWARD ACCT

Plan year start date: 01/01/2020

Plan year end date: 12/31/2020

Final date to submit claims: 04/30/2022

Status: Active

Election amount: \$550.00

Available funds: \$550.00

Amount contributed: \$550.00

Total of claims submitted: \$0.00

Total of claims paid: \$0.00

Show/Hide Account Details

FSA

-- Choose an action --

Plan Summary

Plan ID: NCFLEX21

Plan type: HEALTH FSA

Plan year start date: 01/01/2021

Plan year end date: 12/31/2021

Final date to submit claims: 03/31/2023

Status: Active

Election amount: \$2,750.00

Available funds: \$2,663.31

Amount contributed: \$229.17

Total of claims submitted: \$88.25

Total of claims paid: \$86.69

Show/Hide Account Details

DCA

-- Choose an action --

Plan Summary

Plan ID: NCFLEX21

Plan type: DEPENDENT DAYCARE ASSISTANCE

Plan year start date: 01/01/2021

Plan year end date: 12/31/2022

Final date to submit claims: 03/31/2023

Status: Active

Election amount: \$5,000.00

Available funds: \$416.67

Amount contributed: \$416.67

Total of claims submitted: \$0.00

Total of claims paid: \$0.00

Show/Hide Account Details



P&A Account Access and Info

- ncflex.padmin.com or P&A Group mobile app
 - View your account
 - Order new card or card for dependents over 18
 - Upload claims or supporting documentation
- 1-866-916-3475
 - Contact P&A Group directly
 - Order new card or card for dependents over 18
 - General inquiries
 - Reset password for account online
- FSA section of ncflex.org
 - Claim form and how to submit claims
 - Eligible items list for HCFSA
 - Letter of medical necessity

Wrap Up

If you look at your account and do not see the changes we discussed, reach out to your Benefits Representative in your HR department.

Have questions for NCFlex?

- Reach out to us on our website, at the bottom of most pages there is an option to connect.
- Email us directly at ncflex@nc.gov

A recording of this presentation will be made available by the end of the week.

- <https://oshr.nc.gov/ncflex-webinars>

Questions?