

IMPORTANT ANNOUNCEMENT for 2020 and 2021 Flexible Spending Account Participants

Flexible Spending Account (FSA) *Revised* Grace Period Extension!

Earlier this year, legislation was enacted by Congress to provide relief for employer-sponsored Flexible Spending Accounts (FSA) in response to the COVID-19 pandemic. This legislation offered provisions which an employer may implement at its discretion. Upon review of the available provisions, the County is pleased to offer an extension of the grace period for employees who participated in the FSA in the **2020 plan year** and employees currently participating in the FSA for the **2021 plan year**. This grace period extension applies to both the **Healthcare and Dependent Care** FSAs. The grace period extension will work as follows:

For 2020 FSA Plan Participants:

Employees who participated in the 2020 FSA for the full year and have a remaining balance as of 12/31/2020 will have until 12/31/2021 to incur expenses and until 12/31/2021 to submit claims for reimbursement. In other words, employees who still have unused FSA dollars from 2020 may use those dollars all the way through 12/31/2021. For any eligible out-of-pocket purchases, you now have until 12/31/2021 to submit your claims for reimbursement. Partial year participants also have until 12/31/2021 to submit claims, but may only incur expenses in the period that the FSA was in force.

For 2021 FSA Plan Participants:

Employees who are currently participating in the 2021 FSA and participate for the full year may use your 2021 FSA dollars for eligible expenses all the way through 12/31/2022. For any eligible out-of-pocket purchases, you now have until 12/31/2022 to submit your claims for reimbursement. Partial year participants also have until 12/31/2022 to submit claims, but may only incur expenses in the period that the FSA is in force.

AxisPlus, the FSA plan provider, has updated their systems so that employees enrolled in the Healthcare FSA may continue to use your FSA Debit card, as well as receive reimbursement of eligible Healthcare and Dependent Care expenses, in accordance with the extension provisions outlined above.

These provisions have been put in place to allow you an expanded time frame to use your FSA dollars.

Please be mindful of the following:

1. The use-it-or lose-it rule still applies – any 2020 FSA dollars not used by 12/31/2021 and any 2021 FSA dollars not used by 12/31/2022 **will be forfeited per IRS regulations and not eligible for refund**.
2. Any claims for reimbursement from your 2020 FSA account submitted after 12/31/2021 or from your 2021 FSA account submitted after 12/31/2022 **will be declined**.
3. Employees who terminate(d) County service or cancelled their FSA during 2020 or 2021 are not eligible to use the FSA beyond their employment termination date or FSA cancellation date.

For questions regarding these grace period extension provisions, please contact Jerrad Carter, Benefits Supervisor, at jerrad.carter@miamidade.gov or 305-375-4516.