

## Important Changes Related to the Flexible Spending Plan

As part of the latest COVID relief bill (the Consolidated Appropriations Act), there were several provisions introduced that impact Flexible Spending Account (FSA) plans. Brown University has adopted some of these exciting changes, including the following:

1. **Allowing a grace period extension** to incur Health Care and Dependent Care FSA expenses through 12/31/2021 for the balance remaining in the prior plan year. This means that you will have an additional 12 months to incur expenses that were left over from the plan year that ended on 12/31/2020. You will also have until 12/31/2022 to incur expenses for the plan year that ends 12/31/2021. All claims must be submitted within 30 days of the grace period end date.

**Administrative note:** When filing a claim online or via the Sentinel mobile app during the Grace Period extension, please be sure to select the prior plan year (the plan year with the balance remaining from last year) when choosing your “Pay From” option. This will allow the claim to draw from the previous year’s balance.

2. **Adopting a special carry forward rule for the Dependent Care FSA where a dependent aged out during the pandemic.** Services for care are reimbursable under a dependent care assistance plan if the care is for a qualifying individual. A qualifying individual includes a dependent of the taxpayer who has not attained age 13. This provision allows for 2020 funds to be used for a dependent who turned 13 in 2020. Similarly, unused funds that are made available in 2021 pursuant to the grace period or carryover extension may be used for a child who is 13 and under during the 2021 plan year.

**Administrative note:** In order to take advantage of this option, please be sure to select the “Adult” claim category and claim type that references 13-year-old child for 2020 rules when you submit your Dependent Care claim online and/or through the Sentinel mobile app.

3. **Allowing mid-year changes** to Health Care and Dependent Care FSA elections *without* an actual Qualifying Life Event. Allowable changes include enrolling, revoking, increasing or decreasing elections.

To request a mid-year change to your Health Care and/or Dependent Care FSA election without being tied to a qualifying life event, please log into Workday and initiate a change as follows:

- Click on the Benefits Worklet under the Applications
- A new screen will open. Under Change, click on Benefits
- A new screen will open. For the Change Reason on the drop-down menu, select: 2021 CAA Flexible Spending Change
- Input today’s date or any date in the future for the Benefit Event Date (all changes will be effective the first of the month following) your request.
- A new screen will open. Click on the OPEN button to begin your election change.
- Once you have made your changes, please click on the CONTINUE button.
- A new screen will open for you to review your elections. Please review then click the SUBMIT button to route your election to a benefits partner for approval

**The change will be effective as of the first of the month following your request.** Please note, any request to revoke or decrease your FSA election cannot be an amount *less than* the total amount of claims already paid or contributions made to date. Please log into your FSA account online with Sentinel to check this information before making your request. Also, please note that this provision is only available for the plan year ending in 2021 and only two changes per plan are allowed in 2021.

**Administrative note:** All mid-year changes are prospective in nature. This means that the election change is effective as of the date that it is made, meaning that contributions made up until that point in the year cannot be refunded or returned. Additionally, election increases will be effective as-of the date the election change was made, meaning that only expenses incurred after that date will be eligible for reimbursement of the higher amount.