**Spending Account Special Change Period**

**FAQs**

**Why is Caltech having a Special Change Period for Spending Accounts?**
- In connection with legislative changes associated with COVID-19, the IRS is allowing a special, midyear, change period for 2020 Health (HFSA) and Daycare (DCFSA) flexible spending accounts.

**What are the dates of the Spending Account Special Change Period?**
- July 1st through July 14th

**If I do not want to make any changes to my HFSA or DCFSA, do I have to do anything?**
- No

**What prospective changes can I make during this Special Change Period?**
- Prospectively increase, decrease, start, or stop a 2020 HFSA or DCFSA but, as explained below, you cannot change your deduction to an amount less than reimbursements you have already received.

**Can I make changes to my other benefits (medical, dental, or vision) during this Special Change Period?**
- No, however if you experienced a life event in the past 31 days, you can change other benefits by initiating a life change in “MyBenefits”.

**How do I make a change to my 2020 FSA deductions?**
- Initiate a life change in “MyBenefits”

**When will the change be effective?**
- August 1, 2020

**When will I see the change to my deduction in my paycheck?**
- Bi-weekly = August 7, 2020
- Monthly = August 26, 2020

**Do I need to supply documentation for this change?**
- No

**Is this Special Change Period an Annual Open Enrollment?**
- No

**Will there still be an Annual Open Enrollment in October 2020?**
- Yes. The dates are scheduled for: October 12th - 30th

**Dependent Daycare Flexible Spending Accounts (DCFSA)**

**What is a DCFSA?**
- A DCFSA is a tax-exempt deduction from your paycheck to help pay for qualifying daycare expenses
  - See “MyBenefits” for more details.

**What should I consider during this Special Change Period?**
- Did you over contribute for 2020?
  - Do you have a child between the ages of 0 and 12 years old in daycare?
  - Do you have a dependent parent you take to daycare?
  - Did your daycare facility close in 2020?
  - Did your daycare needs change in 2020?
Can I prospectively decrease or stop my DCFSA deduction?
  • Yes, but you cannot go below your current year to date deductions.
Can I prospectively increase my DCFSA deduction?
  • Yes, IRS guidelines state you can contribute up to $5,000 per household.
Can I have my unused DCFSA deductions from 2020 roll over to 2021?
  • No, the IRS does not allow unused DCFSA funds to roll over.
Due to COVID-19 I will not spend all my Caltech CCAP award, can I roll that money into 2021?
  • No, the IRS does not allow unused funds to roll over.

Health Flexible Spending Accounts (HFSA)
What is a HFSA?
  • A HFSA is a tax-exempt deduction from your paycheck to help pay for qualified medical, dental, and vision expenses.
    o See “MyBenefits” for more details.
What should I consider during this Special Change Period?
  • Did you over contribute for 2020?
    o Was a scheduled procedure postponed due to COVID-19?
  • Did you under contribute for 2020?
    o Did you purchase over the counter products in 2020?
      ▪ Pain relief
      ▪ Cold and flu
      ▪ Allergy
      ▪ Heartburn
    o Did you purchase feminine care products in 2020?
    o For a list of common qualified products visit https://learn.healthequity.com/qme/
Can I prospectively decrease or stop my HFSA deductions?
  • Yes, but you cannot go below the greater of your current year to date deductions as reported on your paycheck statement or reimbursement you have received to date via HealthEquity
    o For example, assuming your original HFSA deduction was $2,000, if you had $1,000 deducted from your paycheck to date but received $2,000 in 2020 reimbursements to date, the lowest you could change your deduction to is $2,000. The remaining $1,000 will be deducted from your paycheck over the remainder of 2020.
Can I prospectively increase my HFSA deduction?
  • Yes, the maximum deduction is $2,700.
Can I have my unused HFSA deductions from 2020 roll over to 2021?
  • Yes, the IRS allows a one-time roll over of $550.
  • To be eligible for this roll over, you must be a Caltech benefit eligible employee in 2021 and not contributing to a Health Savings Account in 2021.