

From: [Employees of the Texas A&M University System](#) on behalf of [A&M System Employee Benefits](#)
To: AMS-SYSTEM-EMPLOYEES-L@LISTSERV.TAMU.EDU
Subject: FSA Benefit Changes - COVID Relief Bill
Date: Friday, January 22, 2021 11:52:56 AM

The most recent COVID Relief Bill, passed on December 27, 2020, made it easier to use your health and dependent care FSAs during the pandemic. The bill offered important changes to the A&M System FSA benefits. The following changes are now in effect for the A&M System plan for the 2020 and 2021 plan years:

[Healthcare Flexible Spending Accounts \(FSA\)](#)

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- **Make changes to your FSA without a qualifying life event (getting married, birth of a child, etc.)**

You can make a change in election amounts for plan years ending in 2021 (plan year ending 08/31/2021) without a change in status event. This means you can change your FSA election amount or sign up for an FSA outside of your open enrollment period. You can make this change yourself in Workday by going to the Benefits Tab, selecting Change, choosing the Flexible Spending Account Change Event, and following the instructions.

- **12 months to incur and claim expenses (extended grace period)**

You have 12 months after your plan year ends to incur medical costs and submit claims to your healthcare FSA. This extension is valid for plan years ending in 2020 (plan year ending 08/31/2020) and 2021 (plan year ending 08/31/2021). This means any medical expenses incurred in plan year 2021 (09/1/2020 – 08/31/2021) can be applied to your plan year 2020 FSA (09/1/2019 – 08/31/2020), and expenses incurred in plan year 2022 (09/1/2021 – 08/31/2022) can be applied to your plan year 2021 FSA (09/1/2020 – 08/31/2021). This change gives the employee an additional 12 months to incur expenses and claim your FSA dollars.

- **Terminated employees FSA accounts**

Allowances for Terminated Employees Healthcare FSA participants who terminate their employment during the 2020 plan year (09/1/2019 – 08/31/2020) or 2021 plan year (09/1/2020 – 08/21/2021) can spend down their unused balances for expenses incurred through the end of the plan year in which the termination occurred including the additional 12 month grace period as noted above. You may claim up to the amount deducted from your pay prior to your termination from the plan.

[Dependent Care Flexible Spending Accounts \(FSA\)](#)

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- **Make changes to your FSA without a qualifying status events (getting married, birth of a child, etc.)**

You can make a change in election amounts for plan years ending in 2021 (plan year ending 08/31/2021) without a change in status event. This means you can change your FSA election amount or sign up for an FSA outside of your open enrollment period. You can make this change yourself in Workday by going to the Benefits Tab, selecting Change, choosing the

Flexible Spending Account Change Event, and following the instructions.

- **12 months to incur and claim expenses (extended grace period)**

You have 12 months after your plan year ends to incur dependent care costs and submit claims to your dependent care FSA. This extension is valid for plan years ending in 2020 (plan year ending 08/31/2020) and 2021 (plan year ending 08/31/2021). This means any dependent care expenses incurred in plan year 2021 (09/1/2020 – 08/31/2021) can be applied to your plan year 2020 FSA (09/1/2019 – 08/31/2020), and expenses incurred in plan year 2022 (09/1/2021 – 08/31/2022) can be applied to your plan year 2021 FSA (09/1/2020 – 08/31/2021). This change gives the employee an additional 12 months to incur expenses and claim your FSA dollars.

Please reach out to your Human Resources office with any questions.

System Benefits Administration

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