

FSA PLANS REVERT BACK TO TRADITIONAL RULES

As we approach the open-enrollment period for your new plan year we wanted to remind you that the pre-pandemic rules for the flexible spending accounts will be back in effect for the 2022 Plan Year. SASI will be available to educate and answer questions prior to participants enrolling because we understand all these temporary changes are confusing. If you would like to set up time to discuss, feel free to e-mail Debbie at debbiek@sasiplans.com. Below is a summary of pre-pandemic rules that goes back in effect as of January 1, 2022:

- **Mid-year election changes** will only be allowed with a qualifying life event such as marriage, divorce or birth of a child. Participants must complete a Change in Status Form within 30 days of the change.
- **Health Spending Plan** - Employers have the option to offer the two-and-a-half-month grace period or carrying over up to \$550.00 into the new plan year, **but not both**. If you are unsure what plan you offer feel free to reach out to SASI to confirm.
- **Dependent Care Plan** – the temporary changes are ending for the Dependent Care Plans as well.
 - There will be no carryover provision available for plan years ending in 2022.
 - The grace period will revert back to 2 ½ months for participants to incur expenses that can be used against their prior year funds.
 - The maximum a participant can contribute will revert to \$5,000 (or \$2,500 for married individuals filing separately).
 - Qualifying Dependents includes eligible child who is under age 13.
- **HSA Plans** - In March 2020, the Cares Act signed into law to allow health savings account (HSA) plans to cover telehealth services before participants met their deductible. This provision is set to expire on December 31, 2021.

Reminder – The Cares Act provision that allowed participants to pay for over-the-counter medications without a prescription including menstrual care products will NOT expire and will be considered a permanent change.

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