

IRS Guidance on FSA Changes

Due to the COVID-19 outbreak, the IRS recently issued guidance for FSA plans. **The Town of Harvard** has adopted some of these changes, including the following:

1. **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, Limited Purpose and/or Dependent Care FSA election without being tied to a qualifying life event, please email msobalvarro@harvard.ma.us.

The change will be effective as of the date of your email 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...** whichever amount is greater (please log into your FSA account online to check this information before making your request). Also, please note that this provision is only available for the 2020 calendar year.

2. **Allowing a grace period extension** to incur Health Care, and Dependent Care through December 31, 2020 for the **2019/2020 plan year**. This means that you will have an additional **6.5** months to incur expenses that were leftover from the plan year that ended on **March 30, 2020**.
3. **Extending the 2019 FSA claims filing deadline** for Health Care, Limited Purpose and Dependent Care expenses from **June 15, 2020** through **"31 days following the end of the Outbreak Period,"** which has not yet been defined.
4. **Over the Counter (OTC) medicines & menstrual products added as eligible expenses** for Health Care FSA and HSA as part of CARES Act. These expenses will now work with your Benny Card at most major retailers and are eligible for reimbursement for any purchase made on or after January 1, 2020. For eligible items where the Benny Card is not accepted, a manual claim can also be submitted for reimbursement through Sentinel's online portal or mobile app.