

2021 TASC PLAN CHANGES

On behalf of the Stark County Schools COG, we are excited to announce some valuable changes to our TASC - FSA Plan(s) as per the COVID-19 Relief Bills (a.k.a., the Consolidated Appropriations Act and American Rescue Plan Act). Below are the updates and how to apply the changes.

❖ Increased Contribution Limit for Dependent Care FSA

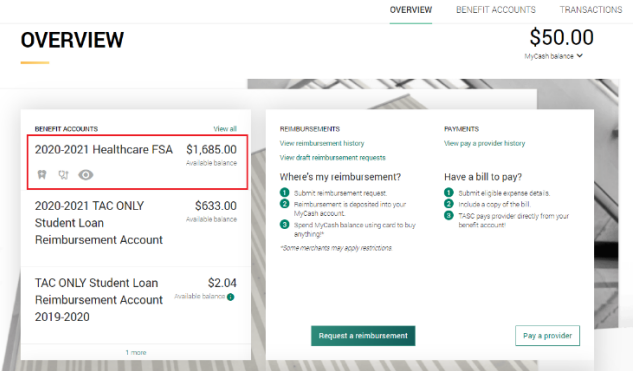
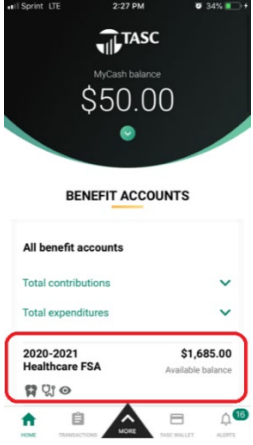
Your Dependent Care FSA Plan now allows you to elect up to \$10,500 for the 2021 calendar year. This is more than double the standard limit of \$5,000, which also doubles a family’s average tax savings to \$200 a month! If you have already made your 2021 elections, you are able to change your elections to increase your pretax contributions up to the new limit.

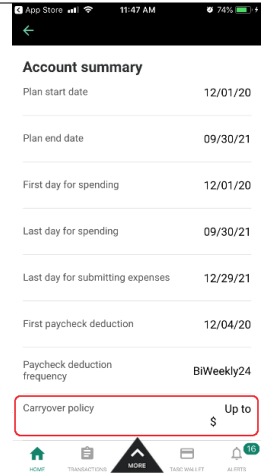
Plan Year Start Date:	January 1, 2021
Plan Year End Date:	December 31, 2021
Maximum allowed per month:	\$875.00

❖ New Carryover Allowance

The Healthcare and/or Dependent Care Flexible Spending Account (FSA) Plan will allow you to carry over an unlimited amount of your unused 2021 contributions into the 2022 plan year for you to use on eligible expenses.

This temporary allowance is designed to help you keep and use more of your pretax FSA contributions without risk of forfeiture.

Where participants can see the Carryover change in their benefit account:		
	WEB PORTAL	MOBILE APP
<p>1) Click on the applicable FSA benefit from home page:</p>		

<p>2) Scroll down to Account Summary and find Carryover policy:</p> <p>The dollar amount will reflect the carryover limit as set by your Plan.</p> <p>For <u>unlimited</u> carryover, the dollar amount will show as \$9,999.</p>	<p>Account summary</p> <table border="1"> <tr><td>Plan start date</td><td>12/01/20</td></tr> <tr><td>First day for spending</td><td>12/01/20</td></tr> <tr><td>Plan end date</td><td>09/30/21</td></tr> <tr><td>Last day for spending</td><td>09/30/21</td></tr> <tr><td>Last day for submitting expenses</td><td>12/29/21</td></tr> <tr><td>First paycheck deduction</td><td>12/04/20</td></tr> <tr><td>Paycheck deduction frequency</td><td>Bi-weekly (24)</td></tr> <tr><td>Carryover policy</td><td>Up to \$550.00</td></tr> </table>	Plan start date	12/01/20	First day for spending	12/01/20	Plan end date	09/30/21	Last day for spending	09/30/21	Last day for submitting expenses	12/29/21	First paycheck deduction	12/04/20	Paycheck deduction frequency	Bi-weekly (24)	Carryover policy	Up to \$550.00	
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When and How Carryover Funds are Used:

During the plan year runout period, the previous year funds may still be used for previous year expenses. Any remaining funds from previous year will then carry over into the current plan year’s account balance after the runout period end date.

During runout, the new plan year election will be depleted first, then carryover funds will be accessible for reimbursement.

If you did not re-enroll in the plan, carryover funds will be made available to you after the runout period ends.

❖ Grace Period Extension

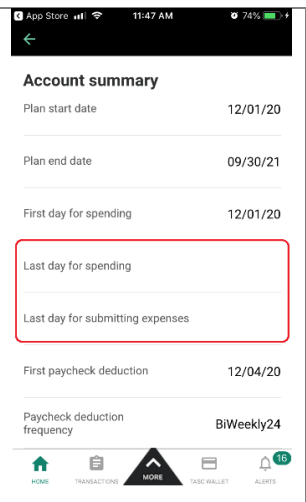
Great news! The Stark County COG Healthcare and/or Dependent Care Flexible Spending Account (FSA) Plan now offers a 12-month Grace Period to spend your unused 2021 contributions.

This temporary allowance is part of the latest COVID-19 relief bill (the Consolidated Appropriations Act, 2021) is designed to give you more time to incur and pay for eligible expenses from your remaining FSA balance against the just-ended plan year. With more time to use your funds, the risk of forfeiting unused funds at the end of the plan year is reduced.

Where participants can see the Grace Period change in their benefit account:		
	WEB PORTAL	MOBILE APP
1) Click on the applicable FSA benefit from home page:	<i>Same screen images as above under Carryover.</i>	

2) Scroll down to Account Summary and find “Last day for spending” and “Last date for submitting expenses” – these are your Grace Period end dates as set by your Plan.

Account summary	
Plan start date	12/01/20
First day for spending	12/01/20
Plan end date	09/30/21
Last day for spending	09/30/21
Last day for submitting expenses	12/29/21
First paycheck deduction	12/04/20
Paycheck deduction frequency	Bi-weekly (24)
Carryover policy	Up to \$550.00



How Grace Period Works:

The Grace Period is a specified period of time immediately following the last day of the plan year to allow participants to use up their remaining FSA balances on eligible expenses incurred during the new plan year and during the grace period (to spend down the old balance).

Your plan also includes a **Runout Period**, which begins on the first day of the new plan year. During the runout period, participants can be reimbursed for expenses only incurred in the previous plan year. The runout and the Grace Period run concurrently. Once the runout ends, the Grace Period will continue through the dates indicated in the below table.

TASC (our plan administrator) will reimburse requests based on the date of service -- spending down fund balances in the previous plan year first, and then turning to funds available in the current plan year (if re-enrolled in the plan).

❖ **Unrestricted Midyear Elections and Enrollment (HFSA and DCFSA)**

The Act also allows existing plan participants, to **change their 2021 plan elections** (on a prospective basis– not retroactively) at any time without requiring a change in status. This means you can adjust elections to better align with your actual qualifying expenditures during the plan year to avoid having more plan contributions than you’ll need.

For the plan year ending December 31, 2021, plans may allow eligible employees (not just plan participants) to prospectively revoke, increase, decrease, or **make a new FSA election** midyear, regardless of whether the basis for the change meets IRS election change requirements.

Amounts contributed to an FSA after a revised election can be used for eligible expenses incurred during the plan year beginning on or after January 1, 2021, even if the employee was not enrolled in the FSA on January 1, 2021.

Provision for Dependent Care FSA Plans:

❖ **Dependent Age Limit Increased to age 14 (DCFSA)**

The latest COVID-19 relief bill (the Consolidated Appropriations Act, 2021) includes a provision that increases the age limit for dependent children covered by the Dependent Care FSA Plan. The new age limit is “up to age 14” (formerly “up to age 13”) for the purposes of receiving reimbursements from funds carried over from the previous plan year. This means, for any dependent child that aged out (turned 13) during the calendar year 2020, the plan participant may receive reimbursement in calendar year 2021 until the child turns 14.

❖ **Post-Termination Reimbursements (HFSA)**

If you discontinued your participation in the Healthcare FSA Plan in 2021, you may still incur expenses and receive reimbursements from your unused contributions through the end of the plan year in which your participation ceased. This also includes the extended grace period.