

2020 Flexible Spending Account (FSA) FAQs

1. Can I enroll in FSA for 2020 if I did not have a qualifying event?

Yes, the recent IRS notice allows you to enroll in the 2020 FSA plan, MCAP and/or DCAP, without a qualifying life event.

2. Can I change my 2020 FSA annual election if I did not have a qualifying event?

Yes, the recent IRS notice allows you to decrease, increase or cancel your 2020 FSA election.

Note, if decreasing your annual election, you cannot reduce your election below the amount already reimbursed to you. For example, if your 2020 annual election is \$2,000.00 and you were reimbursed \$800.00, your election change cannot be less than \$800.00.

3. How do I enroll or make changes to my MCAP or DCAP election?

- Complete the FSA enrollment form and submit it to the City of Oakland Benefits Unit with a brief explanation of the change you are requesting.

Link to form: [2020 FSA Enrollment Form](#)

- If changing your election, enter the amount indicated in the matrix below in the “**Annual Election**” field on the form:

Type of Change	Amount to Enter in "Annual Election" Field
Stop Contributions	Enter your total 2020 year to date contribution amount
Decrease Your Annual Election	Enter your revised <u>annual</u> amount. (The amount cannot be less than the amount already reimbursed to you)
Increase Your Annual Election	Enter your revised annual election amount.

- Requests and forms may be **FAXED to (510) 238-6560**. Please email questions to Benefitsadmin@oaklandca.gov.

4. Can I receive a refund for funds remaining in my 2020 FSA account?

No, the CARES Act and IRS relief do not permit employers to refund FSA contributions already made but not spent.

5. My daycare is closed and now I must enroll my child into a temporary pandemic daycare. Is this daycare center eligible and if so, can I change my dependent care election if need be?

Yes, daycare facilities established specifically in response to the COVID-19 crisis are eligible providers, and employees can make or change their DCAP elections to pay for these services.

6. My spouse is no longer working but he/she expects to go back to work soon. We don't want to lose our spot at the daycare and are still paying a fee to reserve our spot, can I still participate in the dependent care FSA?

Indirect childcare expenses (deposits, registration fees, etc.) are eligible for reimbursement under a DCAP plan as a function of providing actual care to your children. Navia interprets fees to hold spots in day care facilities where your child attends to be eligible expenses under this definition. Claims for indirect childcare expenses become eligible for reimbursement once the spouse goes back to work and childcare with the provider has resumed.

7. What is the FSA grace period?

The FSA grace period is a 2 ½ month period following the close of the FSA plan year. This period gives you more time to use FSA funds from the prior plan year. Prior to adopting the extended 2020 grace period, employees had until March 15, 2020 to use FSA funds they contributed in 2019.

8. How does the extended 2020 FSA grace period work?

If you participated in the FSA plan in 2019, you now have until **December 31, 2020** to incur expenses and use funds remaining in your **2019** FSA account.

9. Will the 2021 FSA grace period for the 2020 plan year extend beyond March 15, 2021?

At this time, the IRS guidelines do not extend the 2021 grace period. FSA expenses for the 2020 plan year must be incurred by March 15, 2021.

10. What are the new provisions for over-the-counter (OTC) products?

FSA MCAP funds can now be used to purchase cold medications, antihistamines, antacids, anti-inflammatories, contact lens solution, lip balm, band aids, and other over-the-counter health related items without a prescription. The CARES act essentially reverses the impact of the 2010 ACA provisions which required a prescription for reimbursement of over-the-counter medicines and drugs.

The link below provides a list of covered health related items.

<https://www.naviabenefits.com/participants/resources/expenses/?ul=zlpuyo&benefit=health-care-fsa>

11. Who do I contact if I have questions?

Please email questions regarding the 2020 FSA changes to BenefitsAdmin@oaklandca.gov.

For specific questions regarding your FSA claim or reimbursement, please contact Navia Benefits Solutions at **(800) 669-3539** or email claims@naviabenefits.com.