



Colleagues,

We wish to make you aware of recent changes that affect Flexible Spending Account (FSA) elections.

With the passage of the Consolidated Appropriations Act of 2021, participants may change their Health Care FSA and Dependent Care FSA elections for the rest of the 2021 plan year without needing to provide a reason to do so. Options include revoking an election so that no further salary reduction contributions will be required, changing the annual election amount and making a new election when none was made during open enrollment.

The legislation does not allow for any refunds to participants who have been participating in the Health Care FSA or Dependent Care FSA this year or last year. If you choose to cancel your FSA election during 2021, you will have until December 31, 2022 to incur eligible expenses for reimbursement from the balance in your FSA account. Please contact P & A at 1-800-688-2611 or visit [www.padmin.com](http://www.padmin.com) to determine your account balance.

#### **Extension of the deadline for incurring eligible expenses**

The grace period for the 2020 FSA Plan year would typically end March 15, 2021. This deadline has been extended until December 31, 2021. Employees who participated in the FSA in 2020 may still incur eligible expenses and request reimbursement against their 2020 FSA balances through the end of 2021. P & A Group, the MTA's FSA Provider, will automatically process any claims from your 2020 Plan Year FSA account balance before taking funds from your 2021 balance.

#### **Increase in the dependent care eligibility to age 14**

The legislation has increased the maximum dependent care age from 13 to 14.

#### **Over the counter medications are still reimbursable under the new legislation**

- Over the counter (OTC) medications are reimbursable under Flexible Spending Accounts without requiring a prescription or completing a Letter of Medical Necessity Form. This provision was retroactive to January 1, 2020.
- Feminine care products are reimbursable as eligible expenses.

#### **How to make a change or enroll in Healthcare FSA or Dependent Care FSA for 2021**

If you are interested in changing your Health Care or Dependent Care FSA elections or cancelling your election, please complete BSC Form HR-DEFCOMP-052A. If you would now like to enroll in FSA, please complete BSC Form HR-DEFCOMP-052. You may access these forms by logging on to the BSC Portal at [www.mymta.info](http://www.mymta.info). The forms are located under Forms, Human Resources, Flexible Spending Accounts. Also available on the BSC Portal under the Tax Favored Programs

ribbon is the full FSA Enrollment Guide with information about the FSA Plans. Please review that guide if you are considering enrolling for the first time. All forms should be sent back to the BSC at [BSC-HRDEFERREDCOMP@mtabsc.org](mailto:BSC-HRDEFERREDCOMP@mtabsc.org) or you may fax them to 1-212-852-8700. You may also contact the BSC at 646-376-0123.

Thank you.