

## **OPM Implementation of Flexibilities Related to Federal Flexible Spending Account Program (FSAFEDS)**

The U.S. Office of Personnel Management (OPM) announced to implement the temporary special rules for Federal Flexible Spending Account Program (FSAFEDS) under the Consolidated Appropriations Act (CAA), 2021, Internal Revenue Service (IRS) Notice 2021-15 and the American Rescue Plan Act (ARPA or Act) of 2021.

The implementation of flexibilities related to FSAFEDS includes:

- Health Care Flexible Spending Account (HCFSA) and Limited Expense FSA (LEX FSA)
  - Allows full carryovers of unused amounts from the 2020 and 2021 plan years
  - Offers a Special Enrollment Period (SEP) to increase or decrease the current elections
  - Allows new opportunity to enroll during SEP for those who did not re-enroll for 2021 during Open Season in the Fall.
- Dependent Care Flexible Spending Account (DCFSA)
  - Extends the grace period and provides a special claims period and carryover rule
  - Permits care for dependents through age 14 for the 2020 and 2021 plan years
  - Allows to increase or decrease the election during the SEP (new IRS maximum of \$10,500 for 2021)
  - Allows new opportunity to enroll during SEP for those who did not re-enroll for 2021 during Open Season in the Fall.

NOTE: More details will be forthcoming.



*Questions?*

*Contact: [dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil](mailto:dodhra.mc-alex.dcpas.mbx.benefits-contacts@mail.mil)*