



## Consolidated Appropriations Act of 2021 (CAA) Amendments

Company Name: \_\_\_\_\_

On December 27, 2020, the President signed the Consolidated Appropriations Act of 2021, which permits various amendments to your Health and/or Dependent Care Flexible Spending Accounts (FSA). **The amendments may be effective retroactively to the beginning of the plan year for plans ending in 2020 or 2021.** For any amendment, you are responsible to operate your plan according to the terms you will implement and communicate the amendment to your employees, as necessary.

Please review the permitted amendments below, select the ones you would like to implement, and provide related information. Your selections must be returned to Chard Snyder for amendments applicable to the 2020 or 2021 plan year. *(Amendment fees may apply.)*

### Carryover

*(Please keep in mind that any carryover could impact HSA eligibility)*

- Allow full balance carryover of 2020 **Health** and/or **Limited FSA** funds into the 2021 plan year
- Allow full balance carryover of 2021 **Health** and/or **Limited FSA** funds into the 2022 plan year
- Allow full balance carryover of 2020 **Dependent Care FSA** funds into the 2021 plan year
- Allow full balance carryover of 2021 **Dependent Care FSA** funds into the 2022 plan year

### Midyear Election Changes

*(Period to accept changes is at the discretion of the employer)*

- Allow future midyear election changes for the **Health** and/or **Limited FSA** during plan year 2021
- Allow future midyear election changes for the **Dependent Care FSA** during plan year 2021

### Spend Down After Termination of Plan Participation

- Permit an employee who ceases to participate in the **Health** and/or **Dependent Care FSA** during 2020 or 2021 (e.g., after termination of employment) to receive reimbursement until the end of the plan year for unused benefits or contributions.

### Grace Period

*(Please keep in mind any grace period changes could impact HSA eligibility)*

2020 Plan Year

- Extend the **2020 Health** and/or **Limited FSA** Grace Period to 12 months following the end of the plan year
- Or extend to \_\_\_\_\_ (date not later than 12 months following end of plan year)

- Extend the **2020 Dependent Care FSA** Grace Period to 12 months following the end of the plan year
- Or extend to \_\_\_\_\_(date not later than 12 months following end of plan year)

*2021 Plan Year*

- Extend the **2021 Health and/or Limited FSA** Grace Period to 12 months following the end of the plan year
- Or extend to \_\_\_\_\_(date not later than 12 months following end of plan year)
  
- Extend the **2021 Dependent Care FSA** Grace Period to 12 months following the end of the plan year
- Or extend to \_\_\_\_\_(date not later than 12 months following end of plan year)

**Dependent Care**

- Increase the maximum age under **Dependent Care FSA** from 12 to 13 for the 2020 plan year for amounts carried over into the 2021 plan year. Applies for a dependent who would not have been eligible in 2021 if not for the new age increase, subject to the following limitations:
  - Dependent aged out during the pandemic
  - DCAP enrollment ended on or before January 31, 2020
  - Employee had an unused balance for the plan year

Authorized Signature: \_\_\_\_\_  
*(Wet signature not required)*

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_