

## ***FSAFEDS: Notable Change***

There is a major change that takes effect with the 2015 benefit enrollment period for the Federal Flexible Spending Account Program (FSAFEDS). Employees who had FSAFEDS coverage during the 2015 coverage year may be eligible to carry over some unspent funds.

Employees who enrolled in a Health Care Flexible Spending Account (HCFSA) and/or Limited Expense Health Care Flexible Spending Account (LEX HCFSA) for coverage in 2015 and who re-enroll in coverage for 2016 may carry over up to \$500 of unspent funds from 2015 and apply them to 2016. To be eligible to carry over funds, employees must re-enroll in an eligible FSAFEDS account for at least the minimum annual election during Open Season. Due to this change, the grace period, which allowed employees to incur expenses up to March 15, 2016, for reimbursement from their 2015 balance, is no longer available. Expenses must be incurred between January 1 and December 31. However, the deadline to submit claims remains April 30.

**NOTE:** The carryover option does not apply to a Dependent Care Flexible Spending Account (DCFSA). The Dependent Care Flexible Spending Account will continue to have a grace period up to March 15, 2016, to incur eligible expenses for reimbursement from 2015. The deadline to submit these claims April 30, 2016.