

Human Resources  
(575) 835-5206

TO: All Employees  
FROM: Angie Gonzales, Associate Director of Human Resources /Angie  
DATE: November 2, 2020  
SUBJECT: Flexible Spending Account (FSA) Open Enrollment

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The Open Enrollment for the 2021 Flexible Spending Account (FSA) plan year will run from November 2, 2020 through December 11, 2020.

Regular and temporary full-time employees and regular part-time employees enrolled in the health insurance plan are eligible.

Once an election becomes effective, it can't be changed until the next plan year; however, there are a few exceptions to the rule. The most common exception is called a "change in status." When you have a change in status, you may revoke your election and submit a new election for the remainder of the plan year ***if the election change is "consistent" with the change in status event***. You have 31 days following the status change to submit a new election, and the new election will be effective after it is received by HR.

#### **Change in Status Events**

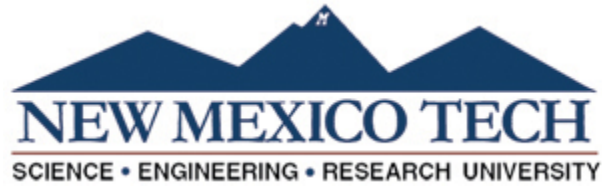
- legal marital status (i.e., marriage, divorce, legal separation or annulment)
- number of dependents (i.e., birth, adoption, death of a spouse or other dependent)
- employment status of you, your spouse or a dependent (i.e., termination or commencement of employment, strike, leave of absence and other employment change) that affects benefit eligibility
- dependent satisfies or ceases to satisfy the eligibility requirements of a plan (i.e., the dependent reached limiting age for coverage, or student status changes)

#### **Grace Period for FSA's**

If you have a balance in your 2020 account, the Grace Period allows you to incur expenses during 2021 and be reimbursed from your 2020 balance. Deadline to file claims is March 17, 2021.

#### **Health FSA Limit will Remain the Same for 2021**

The maximum salary reduction election amount will remain at \$2,750. The plan year begins January 1st and ends December 31st.



The Dependent Care FSA maximum is \$5,000 per household, or \$2,500 if you are married but filing your taxes separately. It is very important that you make these choices carefully based on what you expect to spend on each expense during the Plan Year.

Health Care Reform expanded the definition of eligible dependents to whom the federal tax exclusion for medical care applies, and adds a mandate that "group health plans" cover adult children up to age 26.

### **Changes regarding OTC drugs and medicines...**

Expenses incurred for medicines or drugs may be reimbursed by a Health Flexible Spending Account (FSA). Regulations surrounding the COVID-19 national emergency now allow OTC medications as eligible for reimbursement without a prescription (prior to COVID, OTC medications required a doctor's prescription to be eligible).

### **How Do I Get Reimbursed?**

You can submit a claim form by the 17<sup>th</sup> of each month and supporting documentation to be reimbursed. Claim forms are available at <http://www.nmt.edu/hr/policies.php>. The claim supporting documentation must include the following:

- Provider's name;
- Amount of expense;
- Date & description of service;
- Name of person receiving the service; and Insurance payment, if applicable.

Your FSA enrollment form must be returned to Human Resources by **December 11, 2020**. Please call X5643 or email me at [angie.gonzales@nmt.edu](mailto:angie.gonzales@nmt.edu) if you have any questions.