

Guidance for Flexible Spending Account Mid-year Election Changes

On May 12, 2020, the IRS released Notice 2020-29, which provides temporary flexibility for mid-year election changes under a Section 125 cafeteria plan during calendar year 2020. These changes are designed to allow employers to respond to changes in employee needs as a result of the COVID-19 pandemic.

WHAT'S IN IT FOR YOU?

If you are a full-time benefitted employee, below are the permissible actions that you can take concerning a Medical or Dependent Care Flexible Spending Account (FSA):

- Increase/decrease your existing elections
- Revoke or cancel your elections
- Sign up for medical or dependent care FSA if you did not sign up previously

Please note that these elections are on a prospective basis, refunds are not permitted.

You can spend your FSA on many common healthcare services and health and wellness products!

Medical, dental and vision expenses

You can use your FSA to pay for your deductible, copayments, and coinsurance, as well as prescription drugs. In addition, you can pay for dental exams and non-cosmetic treatments, eye exams, glasses and contacts, laser eye surgery, acupuncture, chiropractic treatments, counseling, and more.

Over-the-counter medicines and wellness items

Due to the Coronavirus Aid, Relief and Economic Security (CARES) Act, you now can use your FSA to buy over-the-counter medications without a prescription, like allergy medicine, pain relievers, heartburn medications, and more. For the first time, you can also use your funds for feminine care products, including tampons, pads, liners, cups, sponges, etc. This applies to purchases from January 1, 2020 onwards.

Please contact HRBenefits@sanjoseca.gov if you would like to request a mid-year election change. A Human Resources staff member will assist you with the form needed to process your request.



If you need more information on how the medical or dependent care FSA works, you can visit the [Human Resources page](#) or download a copy of the [Employee Benefits Handbook](#).

