

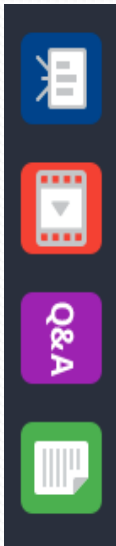
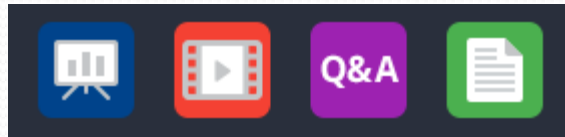
State of Oregon  
Flexible Spending and Commuter Accounts  
[www.asiflex.com/ORPEBB](http://www.asiflex.com/ORPEBB)

*Presented by:  
Linda Freeze*

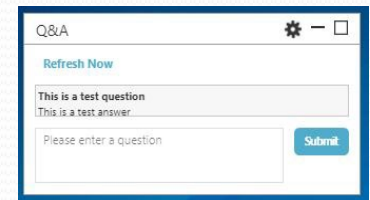


# Webinar Tips and User options

- ❑ Close all other programs on your computer.
- ❑ You can resize, move and minimize the windows within your webinar screen.
- ❑ Click “widget” icons at the bottom of your screen to open/close “widget” windows.



- Presentation Slides – adjust size for easier viewing.
- Media Player – displays webcam and audio options.
- Type questions into the “Q&A” widget and then click submit.
- Clickable links to helpful PEBB resources.



# What are FSAs?

- Flexible **Spending** Accounts
  - Year-to-year account
  - Set aside pretax dollars
  - Pay for current year expected expenses
  - May enroll in or not enroll in any health insurance plan under PEBB
  - Two Accounts:
    - Health Care FSA
      - Deductibles, Co-Pays, Office Visits, Medical, Dental, Vision
    - Dependent Care FSA
      - Daycare, after-school care, pre-school, nursery school



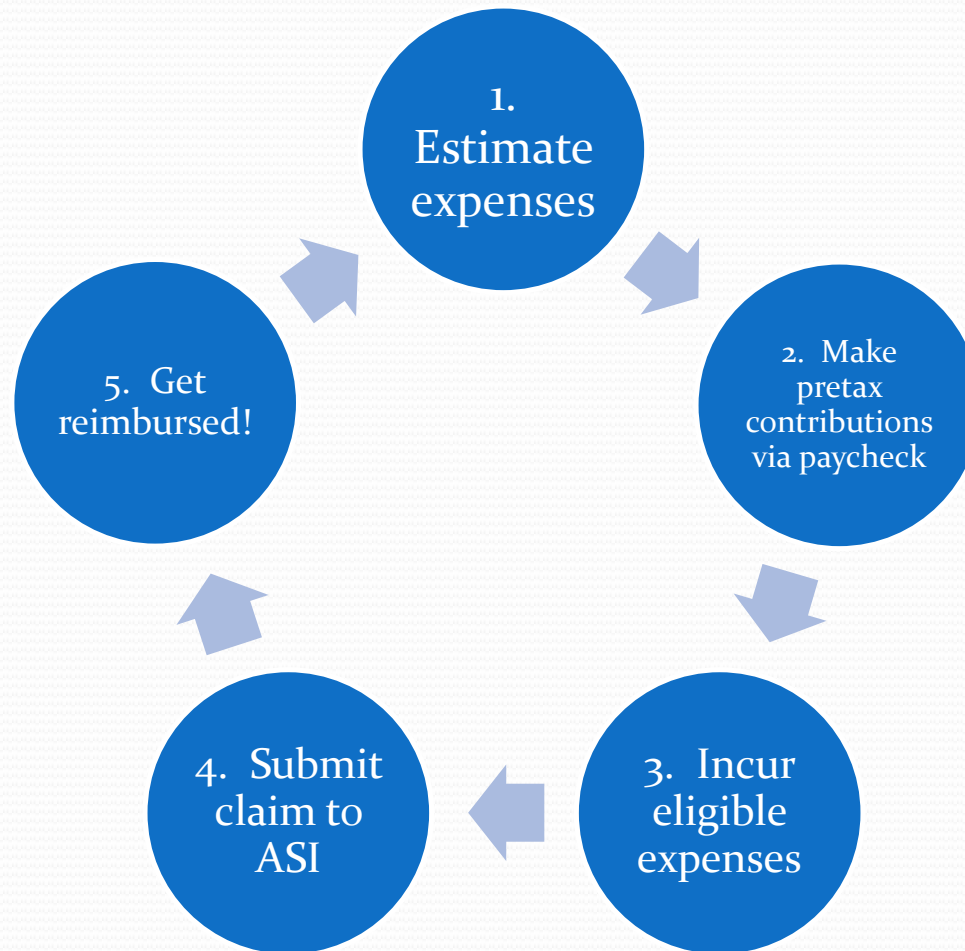
# Want a FSA?

**IF YOU WANT A HEALTH CARE OR  
DEPENDENT CARE FSA FOR 2021 YOU  
MUST DO OPEN ENROLLMENT  
DURING THE MONTH OF OCTOBER!**

**IF YOU DON'T DO OPEN  
ENROLLMENT; YOU DON'T GET A  
FSA!!**

**THIS ISN'T CORRECTABLE!!!**

# How does it work?



# IRS Regulated FSA Rules



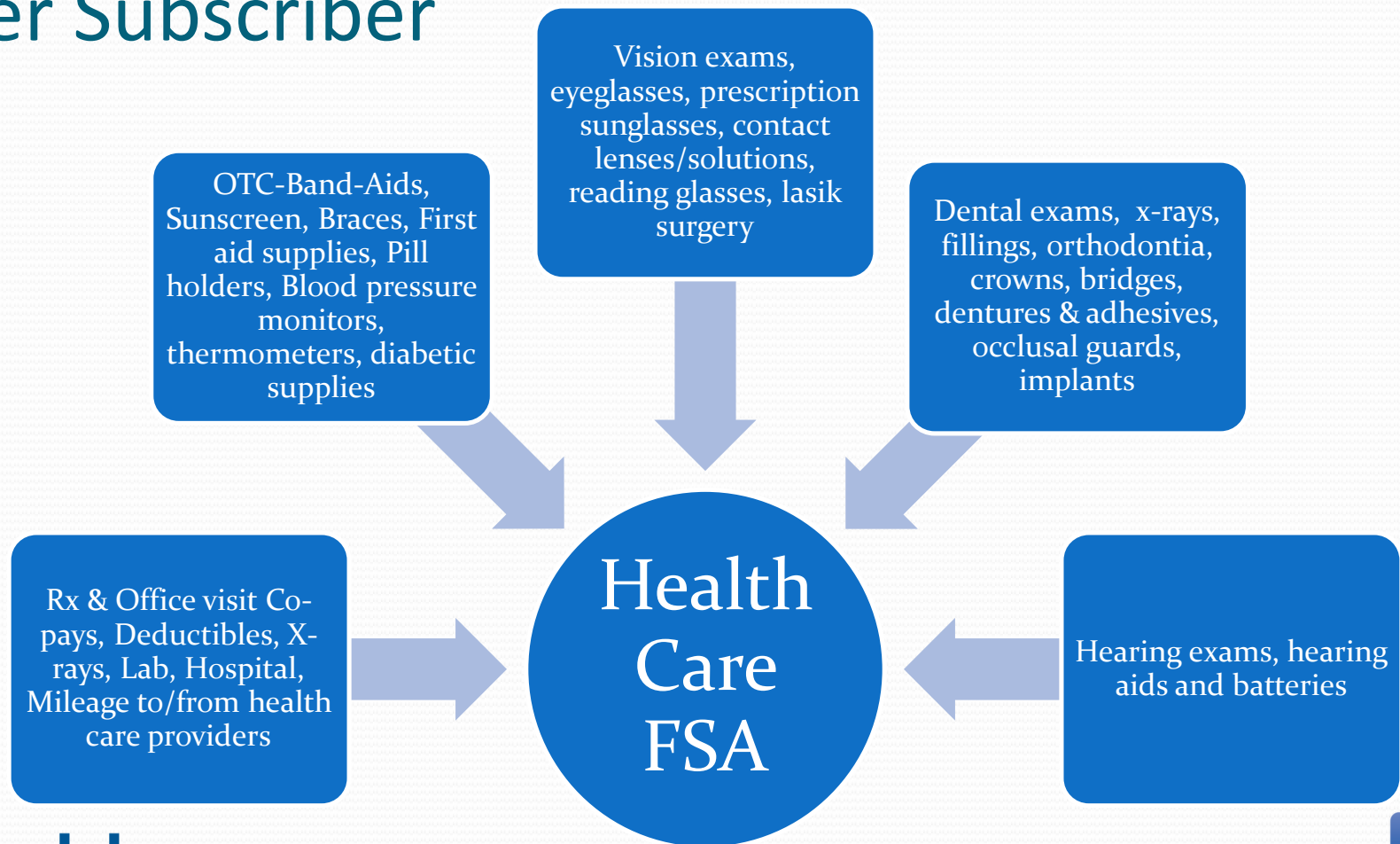
- **Enroll every year** with a new election
- **Spend** all funds during the year
- Expenses must be **incurred** during your period of coverage, or plan year
- Do **not have to be covered** under PEBB's health insurance
- Use to pay expense for **spouse and dependent children**
  - **Can't use for your Domestic Partner**
- Election **remains in effect** for the plan year unless you experience a qualified status change (QSC)
- Can **access all health care funds anytime** during the year
- Unused funds are **forfeited**
- **Grace Period** 2 ½ months through March 15

# How to avoid forfeitures



- It's easy!
  - Plan for **predictable and recurring** expenses
  - Expenses you **know** you will have during the year
  - **Review** prior year expenses as a guide
  - Be **conservative** (you are locked in once enrolled)
  - Use online **tools** at [www.asiflex.com/ORPEBB](http://www.asiflex.com/ORPEBB)
    - Expense estimator
    - Eligible expense listing
    - FSASore.com resource for OTC products
    - Remember, you have an additional 2 ½ months to spend!

# General-Purpose Health Care FSA - \$2,750 Per Subscriber

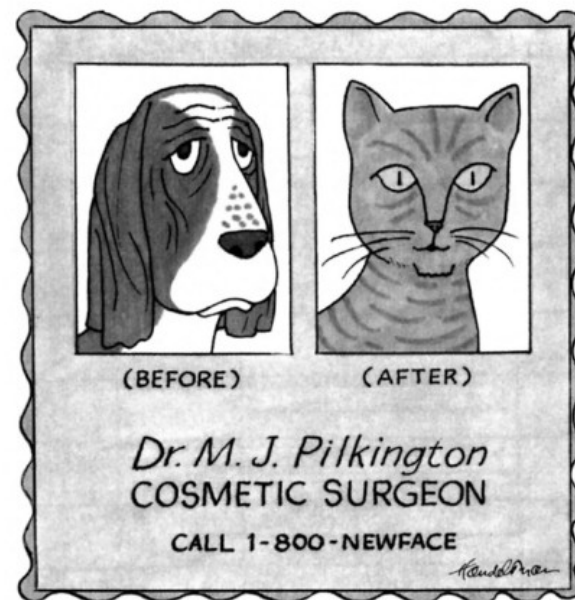




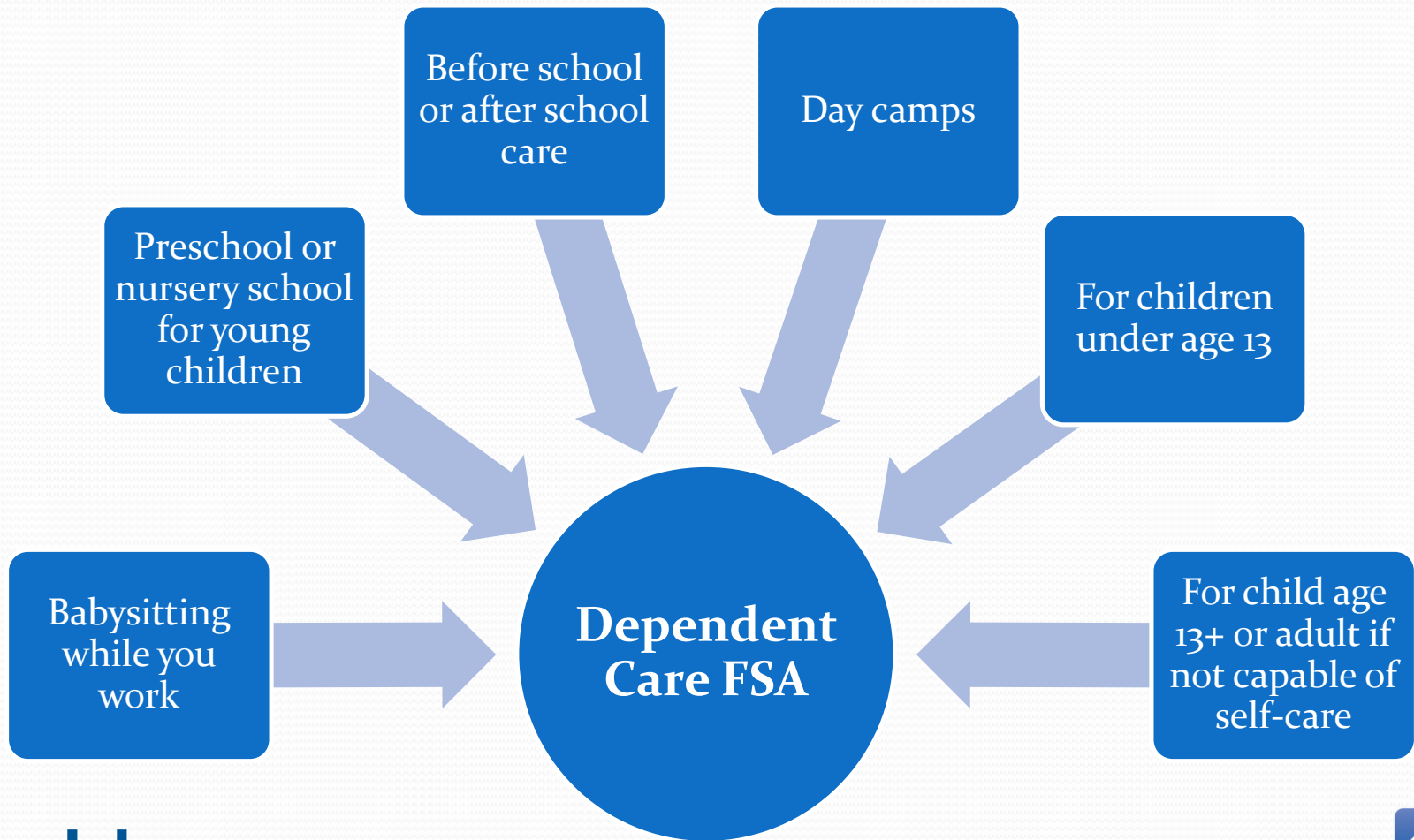


# Ineligible Health Care Expenses

- Services not provided yet; pretreatment estimates
- Cosmetic treatments or medications
- General health and well-being
- Illegal operations
- Expenses paid by insurance
- Diapers, maternity clothes
- Insurance Premiums
- Dancing, swimming lessons
- Holistic, natural remedies, vitamins
- Warranties



# Dependent Care-\$5,000 (family limit)\*



\*\$2,500 if married and filing separate income tax returns.

See IRS Publication 503 for more details.

# Compare FSA to Tax Credit

- Dependent Care FSA
  - \$5,000 for ***one or more*** dependents
- Tax Credit
  - Limited to \$3,000 for one dependent; or \$6,000 for two or more dependents
- Consult tax advisor to determine best option
- Both you and dependent care provider must report on personal tax return





# Ineligible Dependent Care Expenses

- Services not provided yet
- Educational or tuition expenses
  - Kindergarten or higher education
- Overnight camp expenses
- Services provided while you are on vacation, holidays, leave-of-absence
- Divorce situations – only expenses incurred by custodial parent are eligible
- Expenses in excess of \$5,000 per family per calendar year





# Important Dates

- Claims must be incurred:
  - January 1 through March 15 of the following year (14 ½ months) (or your months of coverage)
  - Incurred means that you have actually had the service provided, or that you have secured the product, that gave rise to the expense; regardless when or if paid
- Deadline to Submit Claims:
  - March 31
  - Don't wait until the last minute as you may miss the date!

# Any plans from the IRS for 2020?

- Due to COVID PEBB did allow certain changes to FSA accounts at specific times during this plan year.
- Many have acted on these changes; many have not.
- Members are asking if the IRS plans to allow any additional exceptions for 2020?????
- At this time, the IRS has not released any additional conditions for the 2020 plan year.
- This means, your accounts stay the way they are unless you experience a Qualified Status Changes which allows FSA changes.

# HC FSA and IRS Notice 2020-29

- Reminders about these changes you may have made:
  - You can only get reimbursed for healthcare expenses incurred during the months you actively made contributions.
  - You have until March 31, 2021 to submit claims to ASI.
- Example:
  - Member A contributed to their HC FSA during the months of Jan-June. Then they stopped this HC FSA in June 2020 due to either a QSC or the IRS Notice.
  - They cannot submit claims for expenses incurred during the months of July-Dec.
  - Their claims submission deadline for claims during Jan-June is March 31, 2021.



# HC FSA and IRS Notice 2020-29

- Reminders about these changes you may have made:
  - Let' say you started your HC FSA in July due to a QSC or IRS Notice 2020-29.
- Example:
  - Member A contributed/started their HC FSA during the months of July-Dec. due to either a QSC or the IRS Notice.
  - They can submit claims for expenses incurred during the months of July-Dec.
  - They have until March 15, 2021 as an extension to incur claims.
  - Their claims submission deadline for claims during July-Dec is March 31, 2021.



# DC FSA and IRS Notice 2020-29

- Reminders about these changes you may have made:
  - Let's say you just increased or decreased your DC FSA due to a QSC or IRS Notice 2020-29 but did not cancel it.
- Example:
  - Member A contributed \$400 to their DC FSA during the months of Jan-June. Then they decreased amounts to \$20 for July-Dec.
  - They can submit claims for any amount within the balance of their FSA the entire year.
  - They also have access to the grace period. So, they can claim expenses incurred through March 15, 2021.
  - Their claims submission deadline is March 31, 2021.

# DC FSA and IRS Notice 2020-29

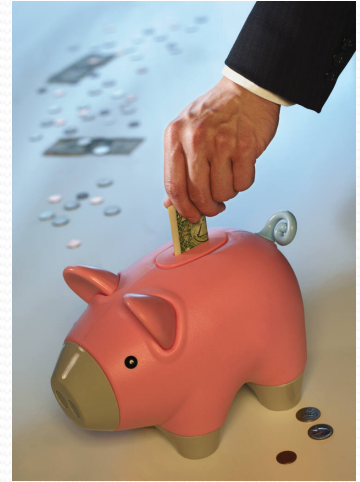
- Reminders about these changes you may have made:
  - Let's say you canceled your DC FSA during June due to either a QSC or IRS Notice 2020-29.
- Example:
  - Member A contributed to their DC FSA during the months of Jan-June. Then they stopped due to either a QSC or the IRS Notice.
  - They can submit expenses incurred (up to the account balance) throughout the remainder of the plan year (December 31<sup>st</sup>).
  - Since they are no longer making contributions, they would not have access to the grace period.
  - Their claims submission deadline is March 31, 2021.

# DC FSA and IRS Notice 2020-29

- Reminders about these changes you may have made:
  - Let' say you started your DC FSA in July due to a QSC or IRS Notice 2020-29.
- Example:
  - Member A contributed/started their DC FSA during the months of July-Dec. due to either a QSC or the IRS Notice.
  - They can submit claims for expenses incurred during the months of July-Dec.
  - They have until March 15, 2021 as an extension to incur claims.
  - Their claims submission deadline for claims during July-Dec is March 31, 2021.

# What are Commuter Benefit Accounts?

- Set aside pretax dollars
- Pay for current month commuting expenses
- Parking Accounts
  - Parking at your place of employment, or at a place from which you commute to work
    1. Pretax employer-sponsored parking; or,
    2. Parking Reimbursement Account
- Mass Transit/Van Pool Account
  - Bus, rail, ferry, van pool



**You can't have BOTH; just one!**

# How does it work?



- Choose one parking account
  - If you park at a State-owned lot, the State will deduct the cost from your paycheck pretax
  - If you park at another location that is not State-owned, you choose how much to set aside into a parking reimbursement account pretax
- Transit or Van Pool
  - If you incur expenses to commute to work, you can elect how much you wish to set aside into a transit reimbursement account pretax

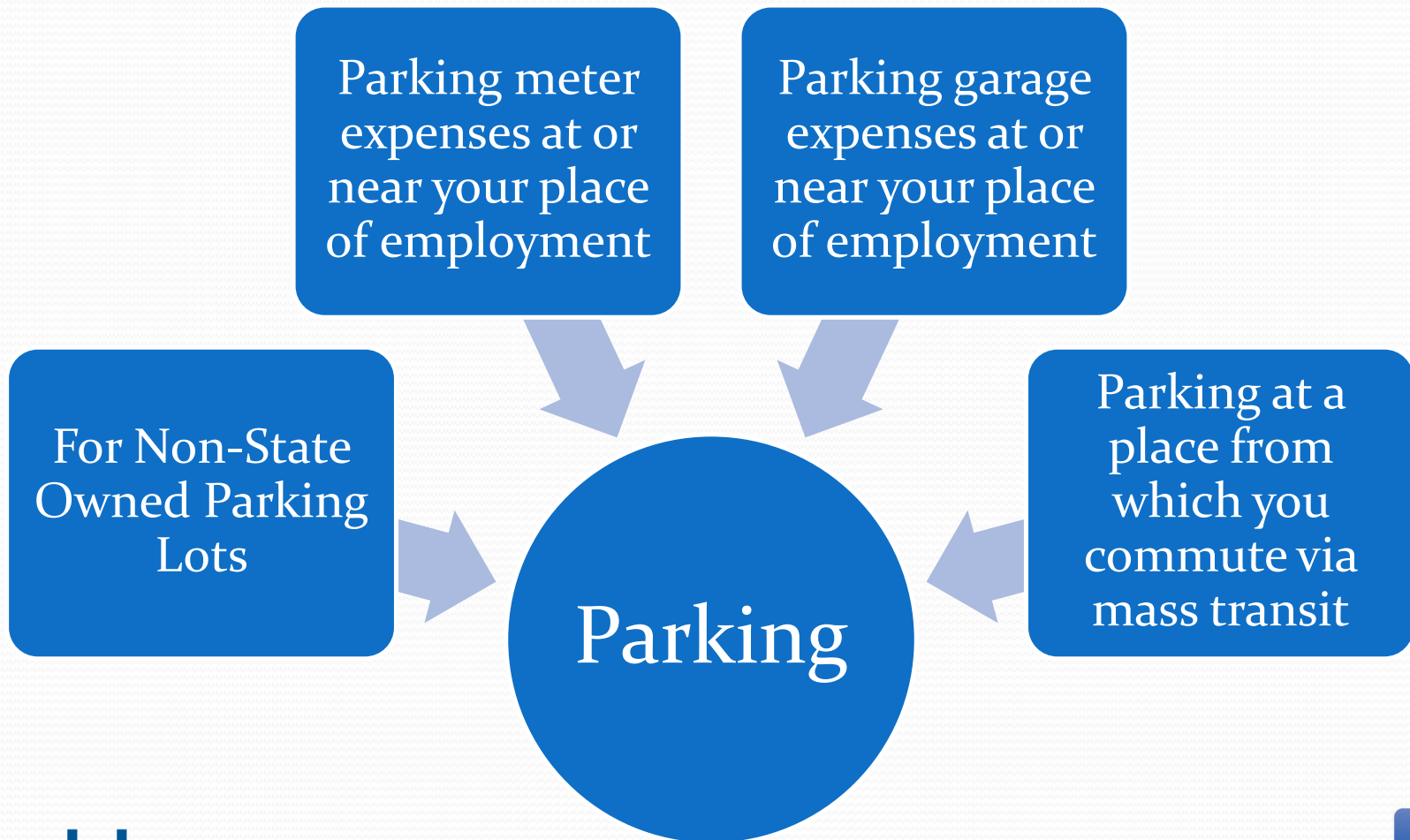


# IRS Regulated Rules



- Your election is a month-to-month choice
- As you incur parking or transit expenses, you submit a claim to be reimbursed
- Expenses must be incurred during your period of coverage
- You can enroll, change or cancel your election at any time
- You can be reimbursed up to the IRS monthly limit
- Unused funds are forfeited after 6 months

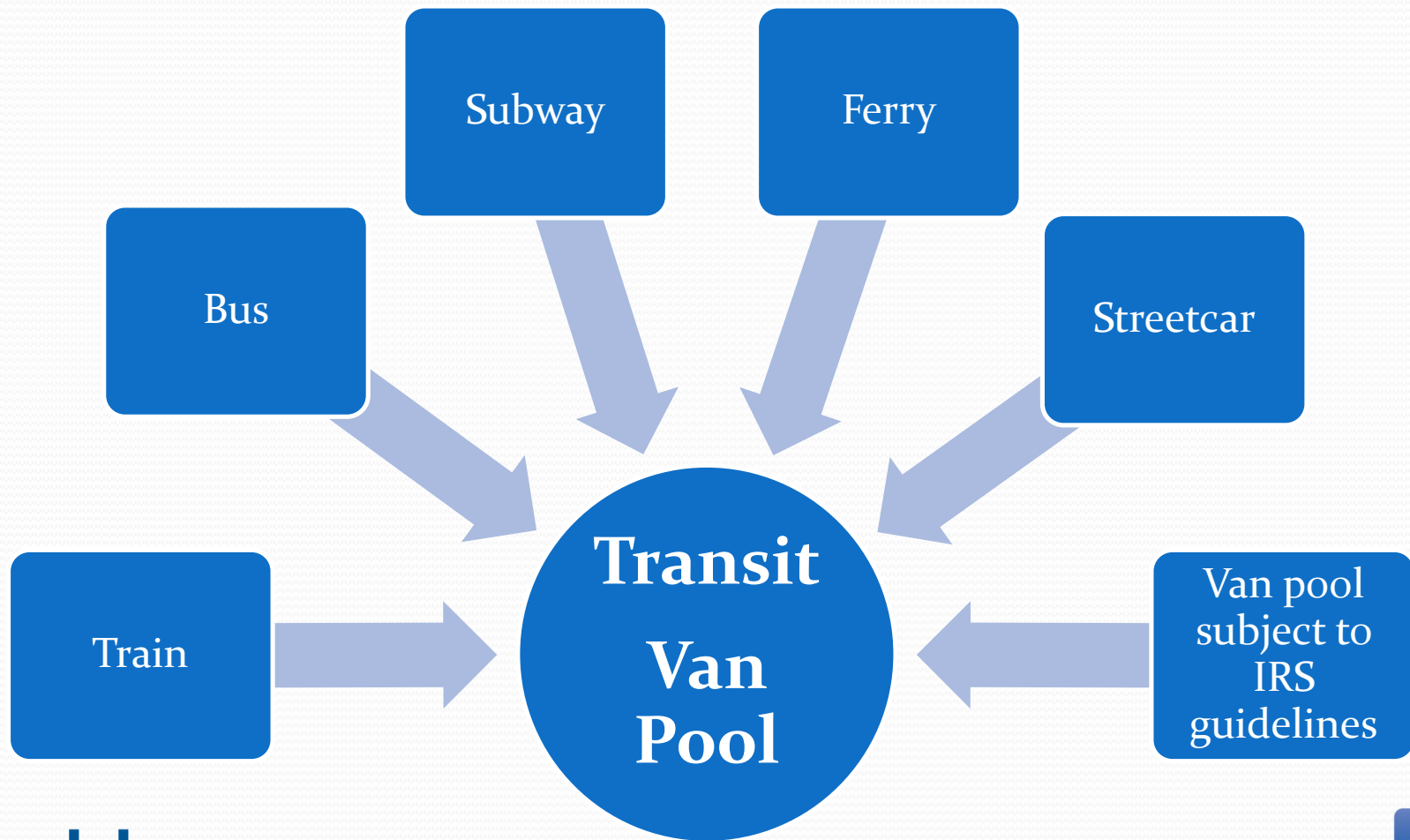
# Parking Reimbursement Account – \$270 per month\*



\*Limits are set annually by IRS regulations.



# Transit or Van Pool Reimbursement Account - \$270 per month\*



\*Limits are set annually by IRS regulations.





# Ineligible Commuter Reimbursement Account Expenses

- Parking or transit expenses that are not specifically necessary for your commute to work
- Parking at a State-owned lot that is already paid pretax from your paycheck
- Bicycle or repairs
- Gas or fuel, vehicle repairs, etc.

# IRS Required Claim Substantiation



- IRS requires you to:
  - **Certify** that the expenses are eligible and that you have not been reimbursed and will not seek reimbursement under any other source
  - Provide **third-party documentation to substantiate** the details about the expenses you have incurred
  - Exception: If documentation is not available, explain why it is not available (example: metered street parking)
- Claim Form
  - Required for manual submissions sent by mail or faxed
  - Not required for online claim filing nor debit card



# Important

- Deadline to Submit Claims:
  - March 31 for expenses incurred during previous calendar year
  - Don't wait until the last minute as you may miss the deadline
- Accounts with no activity in previous 180 calendar days (6 months)
  - Terminated and balance forfeited

# Important

- University Members Only
  - Please make sure you mark correctly the number of contributions per year and which months there will be no contribution when enrolling online.
  - Failure to get this correct can affect your balances.



Summary for employee of 58030 Oregon State University (Open )

**Number of Contributions per year:**  
☒ 9 ☐ 10 ☐ 11 ☐ 12

**No Contribution Months for the year:**  
☐ June ☐ July ☐ August ☐ September

Action	Plan Type/Plan Name
Enroll	Dependent Care Flexible Spending Account
Enroll	Health Care Flexible Spending Account
Enroll	Transportation
Enroll	Parking

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# ASIFlex Corrections

## *What happens prior to January 1, 2021?*

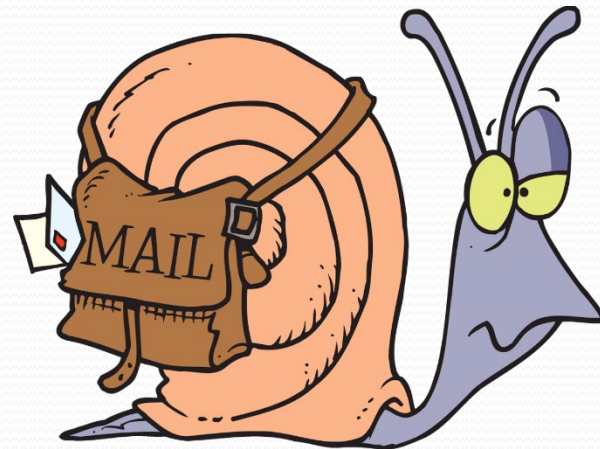
- PEBB/Agencies will adjust any 2021 FSA effective January 1, 2021 only if requested by **December 11, 2020.**
- No enrollment in an FSA if the member didn't do OE during October

*The goal is to make sure members understand their selections, amounts and possible penalties if they fail to correct issues prior to January 1, 2021*

# ASIFlex Corrections

## *PEBB Mailings to verify ASIFlex Enrollments*

- ASIFlex members will receive one USPS mailing and one email per month (November & December) per FSA/Commuter Benefit enrollment
  - **Health Care = Blue**
  - **Dependent Care = Pink**
  - **Parking = Orange**
  - **Transportation = Green**



# ASIFlex Corrections

*What will these mailings do?*

- Clarify what plan the member selected during OE
- Explain what the plan actually covers or can do & maybe what it can't do
- How much per month member is contributing
- How many months per year member is contributing
- How/when member can correct selection if not correct
- What happens if member doesn't make corrections timely





# ASIFlex Corrections

*What happens as of January 1<sup>st</sup>?*



- All ASIFlex issues come to PEBB as an appeal
- PEBB will **NOT ALLOW** any cancellation or switching of a HCFSA or DCFSA after 12/31 unless a QSC
- **NO** retro enrollment/corrections to an FSA account (this means the member could lose money)
- **NO** enrollments if the member did or didn't do OE during October unless a QSC
- PEBB will **NOT** allow prospective increases/decreases in all FSAs unless a QSC
- PEBB will fix the number of months prospectively



# *Customer Service*



## **Website**

[www.asiflex.com/ORPEBB](http://www.asiflex.com/ORPEBB)



## **E-Mail**

[asi@asiflex.com](mailto:asi@asiflex.com)



## **Phone**

1.800.659.3035



## **Address**

PO Box 6044  
Columbia, MO 65205

**5 a.m. to 5 p.m. PT Monday – Friday**  
**7 a.m. to 11 a.m. PT Saturday**

# Customer Service

- PEBB Office Hours
  - 7 AM to 6 PM (October 1-31)
- Call PEBB: (503) 373-1102
- Fax PEBB: (503) 373-1654
- Email PEBB: [inquiries.pebb@dhsosha.state.or.us](mailto:inquiries.pebb@dhsosha.state.or.us)
- Enroll: [www.pebbenroll.com](http://www.pebbenroll.com)
- PEBB Forms:  
<https://www.oregon.gov/OHA/PEBB/Pages/forms.aspx>
- Plan Info: [www.pebbinfo.com](http://www.pebbinfo.com)

