

Dependent Care Flexible Spending Account Changes

COVID-19 has resulted in several lifestyle changes including closed daycare facilities, unnecessary before and after-school care, or even a new need for daycare.

Employees who have experienced either a reduction in cost or a new need for Dependent Care, would be eligible to process a change to their existing Dependent Care Flexible Spending Account (DCFSA) or enroll in a DCFSA for the remainder of the 2020 calendar year.

To make a change to your DCFSA or enroll in a DCFSA, please login to your [SPS Workday](#) account and select the Benefit Event Type, "[Employee: Change in Dependent Daycare](#)". Here is a [link](#) to some helpful instructions for completing this event in your SPS Workday account.

Employee Benefits Division has **temporarily** removed the supporting documentation requirement for this benefit change.

Please consider the overall impact to your annual 2020 daycare costs, as the DCFSA runs through December 31, 2020 and is subject to the IRS maximum of \$5,000.00 per household per year. For more information about Dependent Care FSAs, please see the [2020 Benefits Guide](#), pp 31 - 32.

DCFSA FAQs

1. Can a Dependent Care FSA election amount be changed?

Changing election amounts during the plan year is not allowed unless you experience a permitted election change (e.g., marriage, death of a spouse or dependent, birth or adoption of a child) **or you experience a change in cost from the dependent day care provider.**

2. What if my daycare provider is closed due to the declared State of Emergency as a result of COVID-19?

If the closure has reduced your costs to a lower amount or no charge, you are eligible to change the annual deferral to an amount **greater than or equal to the amount deducted to date.**

3. Due to the COVID-19 State of Emergency, we now need dependent day care. Can we enroll in the Dependent Care FSA at this time?

Yes, a need for dependent care not previously required is considered a change in cost and creates an opportunity to enroll in the Dependent Care FSA. If you expect this need to be temporary, calculate the expected cost being mindful, Workday will calculate the per pay cost through December 31, 2020.

4. How do I process a change to or elect a Dependent Care FSA?

The change should be processed in Workday using event: Employee: Change in Dependent Daycare. Employees can use the job aid listed under Completing Enrollment Events and Life Changes by going to the link below:

https://dbm.maryland.gov/sps/Pages/Benefits_HelpCenter.aspx.

The event will be reviewed and presuming it meets IRS requirements, approved by the Employee Benefits Division.

Contact Lee Ann Nightingale at 301.687.4398 or lnightingale@frostburg.edu with any questions.