The IRS recently issued changes that affect Flexible Spending Account (FSA) elections

Due to the impact of COVID-19, participants may change their Health Care FSA and Dependent Care FSA elections for the rest of the 2020 plan year without needing to provide a reason to do so. Options include revoking an election so that no further salary reduction contributions will be required, changing the annual election amount and making a new election when none was made during open enrollment.

The IRS relief does not allow for any refunds to participants who have been participating in Health Care FSA or Dependent Care FSA this year. If you choose to cancel your FSA election, you will still have until March 15, 2021 to incur eligible expenses for reimbursement from the balance in your FSA account. Please contact P & A to determine your account balance.

Extension of the deadline for incurring eligible expenses

The grace period for the 2019 FSA Plan year originally ended March 15, 2020. This deadline has been extended until December 31, 2020. Employees who participated in the FSA in 2019 may still incur eligible expenses and request reimbursement against their 2019 FSA balances through the end of 2020. P & A Group, the MTA’s FSA Provider, will soon begin to automatically process any claims from your 2019 Plan Year FSA account balance before taking funds from your 2020 balance. P & A is working to have their systems updated and this should occur in the next few weeks.

The CARES Act which was signed into law in March includes other FSA changes

- Over the counter (OTC) medications are now reimbursable under Flexible Spending Accounts without requiring a prescription or completing a Letter of Medical Necessity Form. This provision is retroactive to January 1, 2020.
- Feminine care products are now reimbursable as eligible expenses.

To get more information on some of the over the counter products that are now FSA eligible you can go to P & A website www.padmin.com or you can visit FSA Store at www.FSAStore.com. Some providers are still working on adding the additional 4,000 eligible products to their systems and websites. Also for any general questions regarding the MTA FSA Plans, please contact P & A Group Monday – Friday, 8:30 am –10:00 pm ET at www.padmin.com or 1-800-688-2611.

How to make a change or enroll in Healthcare FSA or Dependent Care FSA for 2020

If you are interested in changing your Health Care FSA or Dependent Care FSA elections or cancelling your election for the rest of the year please complete BSC HR-DEFCOMP-052A Form. If you would now like to enroll in FSA, please complete BSC HR-DEFCOMP-052 New Enrollment Form. You may access these forms by logging on to the BSC Portal at www.mymta.info. The forms are located under Forms, Human Resources, Flexible Spending Accounts. Also available on the BSC Portal under the Tax Favored Programs ribbon is the full FSA Enrollment Guide with information about the FSA Plans. Please review that guide if you are considering enrolling for the first time. All forms should be sent back to the BSC at BSCservice@mtabsc.org or you may fax them to 1-212-852-8700. You may also contact the BSC at 646-376-0123.