



The COVID relief bill, the Consolidated Appropriations Act, 2021, was signed into law on Sunday, December 27, 2020. The legislation includes several items that impact medical flexible spending accounts (FSAs) and dependent care assistant plan (DCAP) accounts, including:

- **DCAP/FSA Carryover:** Plans may permit an FSA or DCAP to carryover all unused amounts from 2020 to 2021 and from 2021 to 2022;
- **DCAP/FSA Grace Period:** Plans may permit a 12-month grace period for unused benefits for plan years ending in 2020 or 2021;
- **FSA Spenddown:** The option for plans to allow medical FSA participants who terminate during the 2020 or 2021 plan year to spend down their unused balances for expenses incurred through the end of the plan year in which the termination occurred;
- **DCAP Age Increase:** The maximum age of eligible dependents is increased by one year;
- **DCAP/FSA Election Changes:** The option for plans to allow a prospective change in election amounts for plan years ending in 2021 without a corresponding change in status event.

These are options that employers can elect to amend their 2020 and/or 2021 plans.

**If you would like to amend your plan, please only complete the sections that you would like to change and return by your renewal date.** If your renewal date has passed, we will address any claim reprocessing needs by member request only. You do not need to return the form if you are not making changes to your plan.

GROUP INFORMATION	
Group Name:	Group Number:
Plan Year Dates: (e.g. 1/1-12/31 or 7/1-6/30)	
AMENDMENT OPTIONS	
CARRYOVER	
<input type="checkbox"/> I would like to amend my plan to increase the amount of rollover that my members are able to carry over into the next plan year. <i>*If you currently have rollover for your FSA, we recommend you keep and/or amend this option by completing the rollover options below (vs. opting to amend your plan with the grace period option). You may not offer both rollover and grace period.</i>	
Please apply this amendment to: <input type="checkbox"/> <b>DCAP</b>  Please indicate the plan year(s) you wish to elect this option for ( <i>only applies to plan years that end in 2020 or 2021</i> ): _____ to _____ _____ to _____  I would like to add a rollover limit: <input type="checkbox"/> Unlimited or <input type="checkbox"/> \$	Please apply this amendment to: <input type="checkbox"/> <b>FSA</b>  Please indicate the plan year(s) you wish to elect this option for ( <i>only applies to plan years that end in 2020 or 2021</i> ): _____ to _____ _____ to _____  I would like to increase the rollover limit to: <input type="checkbox"/> Unlimited or <input type="checkbox"/> \$
GRACE PERIOD	
<input type="checkbox"/> I would like to amend my plan to extend the grace period my members have to use their funds.	

\*If you currently offer grace period for your FSA, we recommend you keep and/or amend this option by completing the grace period options below (vs. opting to amend your plan with the carryover option). You may not offer both rollover and grace period. Please note that this option can impact your members' HSA eligibility.

Please apply this amendment to:  
 **DCAP**  
Please indicate the plan year(s) you wish to elect this option for (*only applies to plan years that end in 2020 or 2021*):  
\_\_\_\_\_ to \_\_\_\_\_  
New Grace Period End Date: \_\_\_\_\_  
Plans may extend grace period up to 12 months.  
  
\_\_\_\_\_ to \_\_\_\_\_  
New Grace Period End Date: \_\_\_\_\_  
Plans may extend grace period up to 12 months.

Please apply this amendment to:  
 **FSA**  
Please indicate the plan year(s) you wish to elect this option for (*only applies to plan years that end in 2020 or 2021*):  
\_\_\_\_\_ to \_\_\_\_\_  
New Grace Period End Date: \_\_\_\_\_  
Plans may extend grace period up to 12 months.  
  
\_\_\_\_\_ to \_\_\_\_\_  
New Grace Period End Date: \_\_\_\_\_  
Plans may extend grace period up to 12 months.

**FSA SPENDDOWN**

I would like to amend my FSA plan to allow terminated members to spenddown their unused balances up to their **full election amount** for expenses incurred through the end of the plan year in which the termination occurred. *Please note that when electing this option, the termed employees would be ineligible to elect a Health Savings Account (HSA) while using their remaining FSA dollars.*

Please indicate the plan year(s) you wish to elect this option for (*only applies to plan years that end in 2020 or 2021*):  
\_\_\_\_\_ to \_\_\_\_\_  
\_\_\_\_\_ to \_\_\_\_\_

**DCAP AGE LIMIT**

I would like to amend my DCAP plan to increase the age limit of eligible dependents from 13 to 14 years of age for the 2020 plan year only.

**ELECTION CHANGES**

I would like to amend my plan to allow for members to change their election amounts mid-plan year without a qualifying event. This only applies to plan years ending in 2021.

Please apply this amendment to:  
 **DCAP**

Please apply this amendment to:  
 **FSA**

**Election Change Limits:** Plans may want to consider reasonable limits to employee election changes and make sure they are included in the plan document amendment. For example, limiting how often an election change may happen or during a specified date range.

**Note:** Groups that create their own plan documents should update those accordingly. Groups that use Further plan documents, should add the necessary information to provided plan document templates.

**AMENDMENT**

I would like my Plan Documents to be amended to reflect the above options I have elected.

Questions? Call Group Leader Services at 1-888-460-4013.

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