



# City of Madison

Human Resources Department

Date: October 30, 2023

**2024 Flexible Spending Open Enrollment is October 30, 2023 through November 17, 2023, 4:30pm TO: Employees Certified at 50% or More of Full-Time Equivalent Employment and Elected Officials**

**Participation Eligibility:** Permanent full-time employees, permanent part-time employees who work at least 19.38 hours per week, and elected officials (Mayor, Municipal Court Judge, and Alders) are eligible to participate. **Hourly and seasonal employees are not eligible.** Employees in layoff status will have an opportunity to enroll within 30 calendar days of returning to work.

**Administrator:** Total Administrative Services Corporation (TASC) will continue to be the third-party administrator for Healthcare Flexible Spending Accounts (FSA) and Dependent Care Assistance Program (DCAP) accounts for the 2024 plan year.

**Plan Year:** 1/1/2024 through 12/31/2024

During Open Enrollment when you choose to enroll in a Healthcare FSA or a Dependent Care Assistance Program account, you choose the per pay period dollar amount you want to contribute to each account based on your estimated expenses for the upcoming plan year. Your contributions will be deducted from each paycheck, **pre-tax**, throughout the plan year and cannot exceed the predetermined IRS annual maximum.

You will have access to your total Healthcare FSA annual contribution immediately at the start of the plan year. Dependent Care Assistance Program funds are available up to the current account balance only (year-to-date payroll deductions).

## ONLINE ENROLLMENT THROUGH EMPLOYEE SELF SERVICE (ESS)

**A new Enrollment/Election is required each year if participating.** All enrollments will be made online through Employee Self Service (ESS) by logging into your account at [ess.cityofmadison.com](https://ess.cityofmadison.com). Click the Login icon in the upper-right corner of the screen to enter your login credentials. Your username is your Employee Number, which can be found in the upper-left corner of your paycheck and on the label of your Flex Spending memo. The first time you log in to ESS, your password will be the last four digits of your Social security number.

Once you are enrolled, TASC will provide you with an enrollment packet by mail or email. You will receive an FSA payment card (debit card) that may be used for eligible healthcare and/or dependent care assistance program expenses. If you were enrolled in Flex Spending in 2023 and have an existing TASC card, you will not receive a new card.

## **Minimums/Maximums**

### Minimum/Maximum Healthcare Flexible Spending Account (FSA) \*

- \$3,050.00 \*\* Maximum allowed annually
- There is no Minimum annual election amount

### Minimum/Maximum Dependent Care Assistance Program Account (DCAP)

- \$5,000.00 Maximum allowed annually (regardless of number of dependents)
- \$2,500.00 Maximum allowed annually for married individuals filing separately
- There is no Minimum annual election amount

If you do not yet know whether you will need dependent care in 2024 (or you do not know if you will have dependent care available), it is advisable to not enroll in DCAP during the open enrollment period. You may enroll in a DCAP account within 30 calendar days of the start of dependent care.

**Once FSA and DCAP contributions have been collected via payroll deduction, they cannot be refunded, even if you determine that you will not incur any eligible expenses in the plan year.**

\*If your spouse has a Health Savings Account (HSA), you are **ineligible** to enroll in the Healthcare FSA.

**\*\*Projected amounts.** Actual amounts have not yet been set by the Internal Revenue Service (IRS) as of the date of printing. If you elect the projected maximum amount and the maximum set by the IRS is lower, your election will be adjusted to the maximum allowable amount. If you elect the projected maximum amount and the maximum set by the IRS is higher, you will be contacted and will have the opportunity to amend your election amount up to the maximum allowable amount.

## **REIMBURSEMENTS AND THE TASC FSA PAYMENT CARD**

As you incur eligible expenses, simply swipe your FSA Payment Card to pay for the purchase. The card automatically pays for and substantiates most eligible expenses at the point of purchase. If you do not use the FSA Payment Card to pay for an eligible expense, you may submit a request for reimbursement via the TASC Mobile App, online Request for Reimbursement form via the TASC website, text message, fax, or mail. Your reimbursement will be made via the method that you select (direct deposit, paper check).

## **GRACE PERIOD**

There is a grace period for reimbursement for eligible expenses incurred during the plan year. You have until March 15, 2025 to **incur** claims against your 2024 FSA and DCAP funds. You have until March 31, 2025 to **submit** claims against your 2024 FSA and DCAP funds. During the grace period, claims for expenses incurred in 2024 should be submitted prior to claims for expenses incurred in 2023. **Any funds unclaimed by March 31, 2025 will be forfeited.**

Your Healthcare Flexible Spending Account and the Dependent Care Assistance Program account are separate accounts. Funds cannot be transferred from one account to the other. Eligible claims must be incurred during the plan year, during the grace period for the plan year, or during the part of the plan year in which you are actively participating. Per current IRS rules, an expense is incurred when service is actually received, not when you are billed or pay for the service. Please refer to the summary plan description on the Human Resources Benefits website for more information.

## **SAVE YOUR RECEIPTS**

It is recommended that you save receipts for all FSA and DCAP expenses, as they may be required to substantiate claims with TASC and/or for tax filing purposes.

## ELECTION CHANGES

When you have a status change that alters your coverage needs, you must complete and submit a change form to Human Resources no later than 30 calendar days after the qualifying event. Status changes include:

- Legal Marital Status: Marriage, death of spouse, divorce, legal separation, annulment
- Number of Dependents: Birth, death, adoption, placement for adoption
- Employment Status: Employee, spouse or dependent termination or start of employment, a strike or lockout, start of or return from unpaid leave of absence
- Dependent Satisfies or Ceases to Satisfy the Requirements for Unmarried Dependents: Student status, dependent no longer qualifies because of age

If a change in election is made, the change will be effective the first of the month following:

- The date the change in status occurs, or
- The date the request form is signed (within 30 calendar days of the event).

Election Changes Based on Cost or Coverage Changes allow changes to Dependent Care Assistance Program (DCAP) elections only. **These do not apply to Healthcare Flexible Spending Accounts.**

- You may change your DCAP election amount if the provider changes the cost of the care.
- You may change your DCAP election if you change providers and the new provider charges more (or less) for care.
- You may change your DCAP election amount if you begin or stop sending your dependent to daycare.
- You may change your DCAP election amount if your Dependent is age 13 and no longer qualifies for Dependent Care reimbursement. Please refer to the summary plan description for more information.

## CERTAIN INELIGIBLE EXPENSES

Expenses incurred for grandchildren not claimed by you as a tax dependent are not eligible for reimbursement under this benefit.

Expenses incurred by your domestic partner are not eligible for reimbursement unless you can claim your domestic partner as a tax dependent, as defined in Section 152 of the Internal Revenue Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof.

## CONTACT INFORMATION

If you have questions about Healthcare Flexible Spending or Dependent Care Assistance Program Account (DCAP) please contact Human Resources at 608-266-4615 or via email at [benefits@cityofmadison.com](mailto:benefits@cityofmadison.com).

Agency payroll clerks and Central Payroll staff are also available to assist with online enrollment.