Vanderbilt has adopted the IRS allowance for Health Care Flexible Spending Account mid-year changes

Due to COVID-19, in addition to allowing employees with dependent care flexible spending accounts to make changes midyear, the IRS is allowing employees who face changes in their medical care situation to qualify as a “Change in Status.” Therefore, employees may increase, decrease or stop funds from being deposited into a Health Care Flexible Spending Account (HCFSA). This guidance allows an election change for:

- Reductions in work hours
- Change in employment status
- FMLA leave

These changes are prospective which means that a change can be made now and through October 31, 2020, but not retroactively.

**Example:** Bi-Weekly Employee has a total of 26 pay periods per year. They elected $520 at Open Enrollment which is $20 per pay period (and at today’s date – this person has 12 deductions taken - totaling $240)

The employee completes a HCFSA event and would like to drop the HCFSA deductions – the system will account for the deductions that have already been taken:

- If this employee claimed/received the full $520 from the FSA account, then this request for a change in deduction would be denied since the employee still needs $280 to be deducted. ($520 - $240 = $280)
- If this employee claimed/received $380 from the FSA account, then this request would be adjusted to a deduction of $10 per pay period for the remainder of the year or a goal amount of $140. ($380 - $240 = $140)

To make a change to your HCFSA election, go to the [My VU Benefits website](#).

1. Log in with your VUnetID and ePassword.
2. On the left-hand side of the page, select Life Events.
3. Select Health Care FSA Change.
   a. When you select the Health Care FSA Change from the Life Events page, you will be taken to this screen.

4. Enter today’s date and from here, the system will walk you through the simple process of changing your benefits.
5. Once this life event is submitted, the Life Event will be **pending**.

6. You will then see a confirmation page denoting ‘Upon HR Approval.’

7. Benefit Express on behalf of HR will review the new goal compared to the amount that has been claimed against to date.
   
   a. If the new goal amount is **more** than what has been claimed, the life event will be approved and a confirmation statement will be sent.

   b. If the new goal amount is **less** than the claimed amount, the life event will be adjusted.

Please note this does not change the claims deadline for HCFSA’s. The money contributed to your FSA account must be used during the calendar year; it does not carry over from year to year. You do have a grace period in which you are allowed additional time to incur claims for reimbursement. This grace period allows participants to incur claims up until March 15 of the following plan year. Money not used will be forfeited.

For more information, contact Human Resources at human.resources@vanderbilt.edu or 615.343.4788.