

Summary of When Participants Can Change Flexible Spending Account Elections Mid-Year

The Cafeteria Plan Company is often asked when an employee can change their election during the plan year. This is an **overview** of the most common events and how they affect the election. For more complete, detailed discussion, contact your account administrator.

Event	• Change Permitted
1. Gain Spouse (marriage)	<ul style="list-style-type: none"> • Health FSA and Dependent Care: May enroll or increase election for new spouse or dependents • Health FSA: May decrease election if employee or dependents become eligible under new spouse's health plan • Dependent Care: May decrease or cease coverage if new spouse is not employed or makes a Dependent Care coverage election under spouse's plan
2. Lose Spouse (divorce, legal separation, annulment, death)	<ul style="list-style-type: none"> • Health FSA: May decrease election to reflect loss of spouse's eligibility • Health FSA: May enroll or increase election where coverage is lost under spouse's health plan • Dependent Care: May enroll or increase election to accommodate newly-eligible dependents (due to loss of spouse) • Dependent Care: May cease coverage if eligibility is lost (e.g., due to dependent now residing with ex-spouse)
3. Gain Dependent (birth, adoption)	<ul style="list-style-type: none"> • Health FSA and Dependent Care: May enroll or increase coverage for newly-eligible dependent
4. Lose Dependent (death)	<ul style="list-style-type: none"> • Health FSA or Dependent Care: May decrease or cease election for dependent who loses eligibility
5. Start of Employment by Employee or Other Change in Employment Status (e.g., PT to FT, hourly to salaried) Triggering Eligibility Under Employer Plan	<ul style="list-style-type: none"> • Health FSA and Dependent Care: May add coverage as soon as eligibility is gained.
6. Start of Employment by Spouse or Dependent or Other Employment Event Triggering Eligibility Under Spouse's or Dependent's Plan	<ul style="list-style-type: none"> • Health FSA: May decrease or cease election if he/she gains eligibility for health coverage under spouse's or dependent's plan. • Dependent Care: May make or increase election to reflect new eligibility (e.g., if spouse previously did not work) • Dependent Care: may revoke election for dependent's coverage if dependent is added to spouse's plan.

Event	<ul style="list-style-type: none"> • Change Permitted
7. Termination of Employment and Rehire Within 30 Days	<ul style="list-style-type: none"> • Prior elections at termination are reinstated unless another event has occurred that allows a change
8. Termination of Employment and Rehire After 30 Days	<ul style="list-style-type: none"> • Employee may make new elections
9. Termination of Spouse's or Dependent's Employment (or other change in employment status resulting in a loss of eligibility under their employer's plan)	<ul style="list-style-type: none"> • Health FSA: May enroll or increase election to reflect loss of eligibility for health coverage • Dependent Care: May enroll or increase election if spouse loses eligibility for Dependent Care. • Dependent Care: May decrease or cease election to reflect loss of eligibility for coverage (e.g., if spouse stops working)
10. Day Care Provider Changes Rates	<ul style="list-style-type: none"> • Dependent Care: May change election
11. Change Day Care Provider	<ul style="list-style-type: none"> • Dependent Care: May change election
12. Start or Stop Using Day Care	<ul style="list-style-type: none"> • Dependent Care: May start or stop election
13. Child Turns 13 and is not eligible for Dependent Care program	<ul style="list-style-type: none"> • Dependent Care: May change or stop election
13. Individually Owned Policy Changes Rates	<ul style="list-style-type: none"> • Individually Owned election may be changed
14. Individual Starts or Stops Having Individually Owned Health Insurance	<ul style="list-style-type: none"> • Individually Owned election may be started or stopped