



THE STATE OF FLORIDA  
**JUSTICE ADMINISTRATIVE COMMISSION**

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**MEMORANDUM HR12-2020**

**TO:** Agency Administrators

**FROM:** Carolyn Horwich, Esq., Director of Human Resources

**THROUGH:** Rip Colvin, Executive Director

**SUBJECT:** Federal Changes Impacting QSC Events, Spending and Savings Accounts, et al.

**DATE:** July 13, 2020

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Attached please find Management Advisory #20-005 from the Department of Management Services, Division of State Group Insurance.

The Management Advisory addresses several important changes to benefits-related matters pursuant to the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Thank you.



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**Ron DeSantis, Governor**  
Jonathan R. Satter, Secretary

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## **MANAGEMENT ADVISORY #20-005**

**DATE:** July 13, 2020

**TO:** Agency Personnel Officers and Benefit Coordinators

**FROM:** Ryan Stokes, Interim Director

**SUBJECT:** Federal Changes Impacting Qualifying Status Change Events, Spending and Savings Accounts, and Other Updates

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Federal changes provided by the [Coronavirus Aid, Relief, and Economic \(CARES\) Act](#), Internal Revenue Services (IRS) Notices [2020-29](#) and [2020-33](#), and the [Final Rule issued by the Federal Department of Labor and the Federal Department of Treasury](#) have been made that impact health plan members related to [qualifying status change \(QSC\) events](#), dependent and healthcare care flexible spending accounts (FSAs), health reimbursement accounts (HRAs), and health savings accounts (HSAs). The Division of State Group Insurance provides the following information, and we ask that you share this information with your employees.

**QSC deadline extensions:** For health plans (including COBRA and disability), healthcare, limited purpose and dependent care FSAs, deadlines have been extended for QSC events occurring during the public health emergency. The extension applies to QSC events ending on or after March 1, 2020, through the end of the federal public health emergency. The deadline for QSC events has been extended through the 120th day after the end of the federal public health emergency. Note that a QSC is not required to make a change to your HSA.

**COBRA payment extension:** Payments for COBRA may be extended during the period from March 30, 2020 through 60 days after the end of the federal public health emergency. During the extension, members can access FSAs and HRAs under COBRA (if COBRA election made for the plan(s)).

**Appeal rights extension:** The deadline for members to request an appeal has been extended until 60 days after the end of the federal public health emergency.

### **Flexible Spending Account Changes:**

- **Carry-over limit increase:** The carry-over limit for the healthcare and limited-purpose FSA accounts has been increased from \$500 to 20 percent of the maximum contribution limit for healthcare and limited purpose FSAs. This change applies to 2020 Plan Year and increases the amount of unused funds members can carry over into Plan Year 2021.
- **Run-out period:** The run-out period for filing claims for the 2019 Plan Year for healthcare, limited-purpose and dependent care FSA plans has been extended. The date is extended through the 60th day after the end of the federal public health emergency. Note that this date **ONLY** impacts the filing deadline and not the deadline to incur claims.



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- **Over-the-counter drugs:** As part of the Federal CARES Act, over-the-counter drugs were permanently reinstated as eligible for reimbursement under a healthcare FSA, HRA or HSA.

For questions related to the FSA/HRA/HSA changes, employees should review their account in the [Chard Snyder system](#) or contact Chard Snyder at 1(855)824-9284. To access the Chard Snyder system, employees should either log in to the People First system and select the Chard Snyder quick link or use the Chard Snyder mobile application. For questions related to QSCs, employees should contact the People First Service Center at 1(866)663-4735. For all other questions, employees should contact the Division of State Group Insurance at (850)921-4600.