



2021 Open Enrollment

September 28 – October 22, 2020

Elections are effective January 1 – December 31, 2021



SPENDING ACCOUNTS – WHAT YOU NEED TO KNOW

Do You Want to Contribute to a Spending Account?

Per IRS regulations, annual enrollment is always required for spending accounts, including:

- Health Care Flexible Spending Accounts (HCFSAs)
- Dependent Care Flexible Spending Accounts (DCFSAs)
- Health Savings Accounts (HSAs)

The maximum amounts you can contribute to a spending account in 2021:

- Health Savings Account (HSA) — Individual coverage: \$3,600; family coverage: \$7,200
- Health Care Flexible Spending Account (HCFA) — \$2,750
- Dependent Care Flexible Spending Account (DCFA) — \$5,000
- Health Reimbursement Account (HRA) - \$5,000 (excess flex credits only)

If you previously enrolled in a Flexible Spending Account in 2020 and do not make an election for 2021, you will not be eligible to contribute.

Do You Know What Happens to Unused Flex Credits?

Per IRS guidelines, unused flex credits will be automatically applied to the appropriate spending account, based on your medical election or reason for waiving coverage:

- Employees waiving coverage under an Employer Group plan or enrolled in a County medical plan (not HDHP), applicable excess Flex Credit up to \$5,000 will be defaulted into a Health Reimbursement Account
- If you enroll in a County sponsored High Deductible Health Plan (HDHP), or waive coverage under another Group Employer HDHP, applicable excess Flex Credit will be defaulted into a Health Savings Account up to the IRS maximum
- If you waive coverage because you are covered by an Individual Plan such as Medi-Cal, Tricare, or Covered California, or employees waiving for unspecified reasons, applicable excess Flex Credit up to \$500 for the year will be defaulted into a Health Care FSA
 - A Dependent Care FSA can be funded with excess Flex Credits, but you must elect the annual pledge during Open Enrollment
 - Any unused, excess flex credits beyond the IRS maximums will be forfeited to the County
 - Review the excess flex credit table in the [Open Enrollment Guide](#) for additional information

Do You Know What happens to Unused Spending Account Funds?

- Remaining Health Savings Account funds roll over each year
- A combined amount up to \$550 of Health Care FSA (HCFSA) and/or Health Reimbursement Account (HRA) funds will roll over to 2021
- If you newly elect a Health Savings Account (HSA) for 2021:
 - Remaining 2020 HRA funds will not roll over
- The County will convert up to \$550 of your general-purpose Health Care FSA funds to a limited-purpose Healthcare FSA (LPFSA) as of January 1, 2021. You can use the LPFSA to pay for dental and vision expenses, but not medical expenses.
Remaining Dependent Care FSA (DCFSA) funds are eligible to roll over into 2021

For questions regarding Open Enrollment, your [Benefits Ambassadors](#) are here to assist.

For more information, contact the Department of Human Resources Employee Benefits Division

Phone: 888-550-2203 or Email: DHRBenefits.FGG@sdcounty.ca.gov

[Open Enrollment FAQs](#)

[Open Enrollment Website](#)

[Open Enrollment Guide](#)