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**CHANGES AVAILABLE FOR 2021 MEDICAL AND DEPENDENT CARE FLEXIBLE  
SPENDING ACCOUNTS**

University of Arkansas employees enrolled in either the Classic or Premier Health Plan are eligible to contribute a pre-tax portion of their salary to a medical flexible spending account (FSA), which is used to pay medical expenses for the employee and eligible dependents. Eligible employees may also contribute a pre-tax portion of their salary to a dependent care FSA, which is used to pay for childcare expenses incurred by the employee.

Such elections must be made before January 1, and there are normally very stringent rules on the ability to change these elections once the year begins. Any amount over \$550 of unused funds in an FSA will be forfeited at the end of the year. These restrictions are dictated by IRS rules.

For 2021 only, the IRS has announced an easing of the restrictions on the ability to change the 2021 FSA elections. Effective immediately, a participant who has a medical FSA or a dependent care FSA under their University of Arkansas System Cafeteria Plan may:

1. Make a prospective election change to the medical FSA election to increase or decrease the amount of contributions made to the FSA for the remainder of 2021 (please note that any decrease to the annual medical FSA election amount cannot be an amount lower than the amount that has been used); or
2. Make a prospective election change to the dependent care FSA election to increase or decrease the amount of contributions made to such FSA for the remainder of 2021.
3. The dependent care flexible spending care contribution limit has been increased from \$5,000 (\$2,500 if married and filing separately) to \$10,500 (\$5,250 if married and filing

separately). This increase only applies to the 2021 plan year.

For example: An employee had elected to contribute \$2,500 to the medical flexible spending account. To date, \$1,000 has been contributed to the account, and none used. The employee may elect to revoke the election for the remainder of 2021, in which case no further amounts will be deducted from the employee's pay, and the amount in the medical flexible spending account will remain at \$1,000, reduced of any amounts used by the employee.

To make a change, please complete the [2021 Mid-Year FSA Change Form](#) and return to Human Resources at [hrbenf@uark.edu](mailto:hrbenf@uark.edu) or send via campus mail to Human Resources, ADMN 222, ATTN: Benefits.

**An employee who has not previously elected to make contributions to a medical FSA or a dependent care FSA is not permitted to begin making such contributions in 2021, except under normal plan rules. For future years, the normal restrictions on mid-year FSA changes will apply.**

Please contact the Human Resources Benefits department at [hrbenf@uark.edu](mailto:hrbenf@uark.edu) with any questions.