

Qualified Life Events for Dependent Care Flexible Spending Accounts During COVID-19 Pandemic | April 3, 2020

Standard QLEs are shown on the [QLE chart](#) at on benefitoptions.az.gov/QLE. However, there are additional situations not specifically addressed in this standard chart that are acceptable during this time.

COVID-19 Related Event	Change Permitted for Dependent Care FSA	QLE Event Date
Loss of daycare provider due to shut down or social distancing	Reduce or discontinue DCFSA contributions	Date daycare was stopped by provider, provide notification document/email
Increased cost of new daycare provider due to loss of prior provider through shut down or child's school has closed and you need to enroll your child in daycare, COVID-19 related situation	Increase DCFSA contributions	Date increased cost begins; date daycare enrollment has begun, provide notification document/email and enrollment document
Required telecommuting arrangement eliminates need for dependent care	Reduce or discontinue DCFSA contributions	Date of disenrollment from daycare, provide disenrollment document/email
Government mandate, i.e., shelter in place, that eliminates need for dependent care	Reduce or discontinue DCFSA contributions	Date entering shelter-in-place, provide notification document/email

To Reduce, Discontinue or Increase Dependent Care FSA Contributions

If any of these events occur, members may declare a change due to QLE as follows:

- Complete a [Declaration of Change Form](#) found on benefitoptions.az.gov/QLE
 - Select the "Other" classification on page 2 and provide a detailed explanation of the event.
- Complete the [Dependent Care Flexible Spending Account Form](#) found on benefitoptions.az.gov/forms
 - To Reduce or Increase Amount: Be sure to calculate the amount on a per paycheck basis for the remainder of the year. If you need to adjust this amount after the COVID-19 pandemic, you can resubmit the forms.
 - To Discontinue: Enter \$0 in the form where it says: "Pay Period Amount"
- Submit your completed forms by email to benefitsissues@azdoa.gov or by fax to 602-542-4744.
- Timing: You have 31 days from the date of the event to submit your request.
 - However, changes are not retroactive, so submit your request as soon as possible.
 - Changes become effective on the first day of the first pay period after all required forms are submitted and approved.

What Happens to Your Funds When You Stop Deductions

- The funds remain in your account, but there are limits on using them as per federal regulations.
- You can submit dependent care claims only for the eligible period you were enrolled in deductions.
 - For example, if you stop deductions for the pay period ending April 3, your eligible period is January 1-April 3, 2020. You can only make claims for expenses incurred between those dates.
 - If you do not submit a dependent care claim from the eligible period for the 2020 plan by March 31, 2021, then the money will be forfeited as per federal regulations.
- Funds do not roll over to the next year.
- Unclaimed funds cannot be refunded.

What Happens When COVID-19 Related Events End

- This will be classified as a QLE. You can re-elect to begin contributions again for the dependent care account.
- Follow the same steps listed above under "To Reduce, Discontinue or Increase Dependent Care FSA Contributions".

Questions? Contact a Benefit Options representative by phone 602-542-5008, toll-free 1-800-304-3687, by email benefitsissues@azdoa.gov or visit benefitoptions.az.gov.