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.

<table>
<thead>
<tr>
<th>COVID-19 Related Event</th>
<th>Change Permitted for Dependent Care FSA</th>
<th>QLE Event Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of daycare provider due to shut down or social distancing</td>
<td>Reduce or discontinue DCFSA contributions</td>
<td>Date daycare was stopped by provider, provide notification document/email</td>
</tr>
<tr>
<td>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</td>
<td>Increase DCFSA contributions</td>
<td>Date increased cost begins; date daycare enrollment has begun, provide notification document/email and enrollment document</td>
</tr>
<tr>
<td>Required telecommuting arrangement eliminates need for dependent care</td>
<td>Reduce or discontinue DCFSA contributions</td>
<td>Date of disenrollment from daycare, provide disenrollment document/email</td>
</tr>
<tr>
<td>Government mandate, i.e., shelter in place, that eliminates need for dependent care</td>
<td>Reduce or discontinue DCFSA contributions</td>
<td>Date entering shelter-in-place, provide notification document/email</td>
</tr>
</tbody>
</table>

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.