NEW YORK STATE OF OPPORTUNITY. | Office of General Services | Business Services Center

Information Announcement

2016 Dependent Care Advantage Account

Employer Contribution for PEF-Represented Participants

August 2, 2016

We have been notified by the Governor's Office of Employee Relations that the terms of the recently ratified agreement between the State and the Public Employees Federation (PEF) restore the 2016 Dependent Care Advantage Account (DCAAccount) Employer Contribution for PEF-represented participants. The Employer Contribution will be applied retroactively to January 1, 2016 to current participants' accounts who enrolled during the Open Enrollment Period last fall. Future DCAAccount participants will be eligible for the Employer Contribution throughout the remainder of the 2016 plan year when they enroll with an eligible Change in Status (CIS) Event.

Participants Who Must Take Action:

1. PEF-represented employees enrolled in the DCAAccount and are currently on a leave of absence (LOA).
    - *You may re-enroll with a CIS when you return from leave. No change will be made to your account, including applying the Employer Contribution, until and unless you return from leave and re-enroll in the DCAAccount.*

2. PEF-represented employees who are enrolled for the anticipated amount of their Employer Contribution, had payroll deductions, and terminated their account.
    - *You may re-enroll with an eligible CIS. Your eligibility date will not change from your original enrollment date. You can choose to enroll for just the amount of the Employer Contribution, have your deductions refunded on a post-tax basis, and have just the Employer Contribution applied to your account. Or, you can choose to re-enroll and increase your total annual election amount. When your CIS application is processed, the Employer Contribution will be applied to your DCAAccount and deductions started, if applicable. Please call 1-800-358-7202 (option 1) or visit www.flexspend.ny.gov to re-enroll.*

3. Participants who are currently represented by a union other than PEF or are designated as M/C but were represented by PEF at the time they enrolled, did not receive an Employer

Contribution and they enrolled for the anticipated amount of their Employer Contribution, had payroll deductions, and terminated their account.

- *See bullet under #2 above.*

Participants Who Do <u>Not</u> Need to Take Any Action:

1. PEF-represented employees who are currently in the DCAAccount for a greater amount than the Employer Contribution they are eligible for and are having bi-weekly deductions.
    - *The Employer Contribution will be automatically added to your account. The total annual election amount will not be changed. The Fringe Benefits Management Company, a Division of Wageworks (FBWW), the plan administrator, will recalculate to reduce your bi-weekly deductions.*

2. Participants currently represented by a union other than PEF or are designated as Management Confidential (M/C) but were represented by PEF at the time they enrolled, did not receive an Employer Contribution, and are currently enrolled in the DCAAccount for a greater amount than the Employer Contribution they are eligible for and are having bi-weekly deductions.
    - *The Employer Contribution will be automatically added to your account. The total annual election amount will not be changed. FBWW will recalculate to reduce your biweekly deductions.*

3. PEF-represented employees who are currently enrolled in the DCAAccount for the exact amount of what would be their Employer Contribution and have not been reimbursed for incurred expenses.
    - *FBWW will stop your payroll deductions, OSC will refund your deductions on a post-tax basis, and the FBWW will apply the Employer Contribution to your DCAAccount.*

4. Participants currently represented by a union other than PEF or are designated M/C but were represented by PEF at the time they enrolled, did not receive an Employer Contribution, and are currently enrolled in the DCAAccount for the exact amount of what would be their Employer Contribution, and have not been reimbursed for incurred expenses.
    - *See bullet under #3 above.*

5. PEF-represented employees who are currently enrolled for the anticipated amount of their Employer Contribution, have been reimbursed, and only want the amount of the Employer Contribution.
    - *FBWW will stop your payroll deductions, OSC will refund your deductions on a post-tax basis, and FBWW will apply the Employer Contribution to your DCAAccount. The balance still owed to you, if any, will be available for reimbursement.*

6. Participants who are currently represented by a union other than PEF or are designated as M/C but were represented by PEF at the time they enrolled, did not receive an Employer Contribution, and are currently enrolled for the anticipated amount of their Employer Contribution, have been reimbursed, and only want the amount of the Employer Contribution.
    - *See bullet under #5 above.*

7. PEF-represented employees who are currently enrolled in the DCAAccount for an amount that is less than the Employer Contribution for which they are eligible.

- *FBWW will stop your payroll deductions, OSC will refund your deductions on a post-tax basis, and FBWW will apply the full amount of the Employer Contribution for which you are eligible.*

8. Participants who are currently represented by a union other than PEF, or are designated as M/C but were represented by PEF at the time they enrolled, did not receive an Employer Contribution and enrolled in the DCAAccount for an amount that is less than the Employer Contribution for which they are eligible.
    - *See bullet under #7 above.*

DCAAccounts will be adjusted and the Office of the State Comptroller (OSC) will issue any necessary refunds with the paychecks of **August 24, 2016** (for administrative pay cycle) or **September 1, 2016** (for institution pay cycle).

Change in Status (CIS)

There are certain circumstances where a change may be permitted. Here are some examples of eligible CIS events:

Marriage, Divorce, or Separation	Death (spouse or dependent)	Birth or adoption of a child
Beginning or end of employment (employee or spouse)	Dependent disability	From full-time to part-time employment or vice versa (employee or spouse)
Beginning of or return from leave of absence (employee or spouse)	Change in work schedule (employee or spouse)	Change in custody of dependent
Change in rate paid (only if the provider is not a relative)	Change in care provider	Loss of another Dependent Care Assistance Program coverage (increase or enrollment only)

If you have a CIS, you must submit your application online or by phone within 60 days, inclusive of the qualifying event. Your application to start or change your account becomes effective once the date of the CIS event has elapsed or the date your application is received, whichever is later.

If you are starting an account after the plan year has begun with an eligible CIS event, your expenses will be eligible for reimbursement from the date your application is received, or the date of your CIS, whichever is later, through December 31, 2016.

CIS applications will be accepted during the plan year until November 6, 2016 for CIS events that occur on or before November 6, 2016. Applications received after that date cannot be processed in time for the last pay period of the year.

If you have any questions regarding this announcement, please do not hesitate to contact the DCAAccount staff at 1-800-358-7202 (option 2).