**FC**

University of Michigan

# Dependent Care Flexible Spending Account Request for Change in Status

**For BTT Use Only**

Event Date _____

Input Elections _____

When you have a qualifying family status change, you may request to revoke your existing Dependent Care Flexible Spending Account election and make a new election for the remainder of the current plan year. Your family status change has to have a direct impact on the Dependent Care FSA. Complete and submit this form to SSC Benefits Transactions as instructed at the bottom of page 2 **within 30 days of the change in your status**. Your request will be reviewed and a determination made as to whether the request is in line and consistent with the event. Print all information in **black** ink. For a list of qualified family status change events that allow you to change your FSA election amount, please refer to the University HR website at hr.umich.edu/fsa-changes.

## 1. Faculty or Staff Member Information.

| Name (Last, First, Middle Initial) | | UMID | Social Security Number (If UMID is unknown) |
|---|---|---|---|
| Street Address | City, State, Zip | | Home Phone Number |
| Email Address | Does your spouse also work for the University of Michigan? ☐ Yes ☐ No | If yes, spouse's name and UMID: | Daytime Phone Number |

## 2. Change of Status Event. You may be required to submit appropriate documentation to verify the event.

Date of Change of Status event identified below _____

Check one of the following qualifying change in status events that you have experienced.

- ☐ Marriage
- ☐ Divorce
- ☐ Birth of Child
- ☐ Adoption (or placement for adoption) of child
- ☐ Death of: ☐ Spouse ☐ Child
- ☐ Change in employment/benefit eligibility ☐ Self ☐ Spouse
- ☐ Ineligibility of dependent (due to age, custody or residence)
- ☐ Change in day care setting that ☐ Costs less or ☐ Costs more
- ☐ Day care provider ☐ Decreased costs ☐ Increased costs
  (Note: Change in election amount cannot be made if due to cost increase when the day care provider is a relative of the employee)
- ☐ Other (please specify below):

_____

_____

## 3. Explanation of Requested Change. This section must be completed for all requests.

Please explain below the election change you wish to make and why your requested change is consistent with your status change. An election change is consistent only if the election change is necessary or appropriate as a result of the status change event.

_____

_____

_____

## 4. Requested Annual Election Amount Change.

Current Annual Election Amount $ _____

New Annual Election Amount $ _____

## 5. Agreement and Confirmation.

I have read and fully understand the regulations to change my election. I understand that this Change in Status Form must be completed and returned to the Benefits Office within 30 days of the change in status event, and the election change I have requested must be consistent with the change in status event. **I understand that any election change will be effective the first of the month following the date this form is received by SSC Benefits Transactions, or the date of the change in status, whichever is later.** I understand that the change requested can only apply to the remaining portion of my period of coverage. I certify that the above information is true and correct, and agree to provide any necessary third-party documentation to verify the change in status event. I have read and understand the agreement and confirmation set out on the second page of this form concerning flexible spending accounts.

_____ _____

Signature of Faculty or Staff Member Date Signed

University of Michigan

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**Agreement and Confirmation**

By my signature on the Flexible Spending Account Request for Change in Status Form, I confirm that I understand and agree to the following requirements of participation in a flexible spending account.

**Contribution Amounts**

1. There are minimum and maximum amounts that can be contributed to the Flexible Spending Accounts each year. You may contribute from $120 up to a possible maximum of $5,000 per year to a Dependent Care FSA.

   For faculty and staff who earned less than $130,000 in the prior year, the maximum annual contribution to a dependent care account is the lesser of $5,000 family maximum or the earned gross income of the lower-paid spouse (if married), except when the spouse is disabled or a full-time student.

   For faculty and staff who earned more than $130,000 in the prior year, the maximum annual contribution to a dependent care account is the lesser of $300 per month or the earned gross income of the lower-paid spouse (if married), except when the spouse is disabled or a full-time student. See "Special Limits for Highly Compensated Faculty and Staff" for more information.

**Deductions**

2. Deductions will occur over 12 paychecks for faculty and staff members paid monthly, and over 24 paychecks for staff members paid bi-weekly. Deductions for mid-year enrollments will be based on the number of paychecks remaining in the calendar year after the effective date. Deductions cannot be taken from stipend or fellowship funds. No deductions will be taken during periods such as a leave when the enrollee is not receiving a salary from the university.

3. Deductions cannot be changed or canceled during the year unless a qualified family status change occurs (marriage, divorce, birth of baby, etc.) in which event the coverage change must be consistent with the change in status. If such a change occurs, the participant must provide documentation of the change to the Benefits Office within 30 days of the event. Otherwise, the change cannot be made until the next Open Enrollment period with the change effective January 1.

4. Changes in deduction amounts will be effective the first day of the month following the receipt of the Flexible Spending Account Deduction Authorization Form or date of eligibility, whichever is later.

**Claims**

5. Be sure to sign your claim form. PayFlex will not process a claim if the form does not include your signature.

6. You can fax your claims forms. PayFlex has established a toll-free fax number, (855) 703-5305, for the exclusive use of U-M FSA participants. Keep a copy of the fax transmission report as documentation the fax was successfully transmitted and received by PayFlex.

7. Keep a copy of all documentation submitted to PayFlex. Bills or receipts cannot be returned.

8. Flexible Spending Account claims received by PayFlex, claims processor for the university's FSA accounts, will generally be reimbursed within 15 business days from the date PayFlex receives your claim form. Dependent care reimbursements will not exceed the balance in the account as of the first of that month.

9. Funds cannot be transferred between Health Care and Dependent Care Flexible Spending Accounts. Participation cannot be transferred to a spouse.

10. All eligible claims must be submitted to PayFlex by the cutoff date, May 31 of the following year. Any funds that remain in the accounts as of June 1 following the plan year will be forfeited in accordance with IRS regulations. There are no exceptions to this rule. In accordance with IRS regulations, the university uses forfeited funds to pay administrative costs of the FSA program.

**Special Limits for Highly Compensated Faculty and Staff**

11. The IRS allows pre-tax contributions to an FSA as long as the plan does not favor highly compensated employees (HCE) as defined by the IRS. You are considered "highly compensated" if you had gross earnings of $130,000 in the prior year. In accordance with IRS regulations against discrimination, the Benefits Office examines FSA plans each year to ensure that they do not disproportionately benefit employees the IRS considers "highly compensated." The Benefits Office determines the amount that can be contributed to a Dependent Care FSA by an HCE at the beginning of each year ($3,600), but if at any time during the year that ratio is not being met, the university will reduce contributions made by participants who earn $125,000 or more to ensure compliance with IRS rules. If you are an HCE, your deduction may not exceed $3,600 per family for a married couple filing jointly, or for a single parent. For an HCE married person filing separately the limit is $2,500. If a Dependent Care FSA fails the nondiscrimination test, highly-compensated employees will be taxed on all of the dependent care assistance benefits they received during the calendar year. Employees who are not highly compensated are not affected by this rule.

**General**

12. This agreement expires no later than December 31 of the plan year. A new agreement is required each year.

HUMAN RESOURCES
BENEFITS OFFICE
UNIVERSITY OF MICHIGAN

**Questions?**

If you have any questions, visit hr.umich.edu/benefits-wellness, or call the SSC Contact Center at 734-615-2000 or 866-647-7657 (toll free for off-campus long-distance calls within the U.S.) Monday through Friday from 8 a.m. to 5 p.m.

**Receipt Confirmation**

A confirmation email will be sent to your UMICH email address within 72 hours of receipt of your form.

## How to Return Your Signed and Completed Form

### By FAX

**Fax it to 734-763-0363**.
Keep a copy of the fax transmission report with your form in your records.

### By Mail

Make a copy for your records and send the original by **Campus Mail or U.S. Mail** to:
SSC Benefits Transactions
Wolverine Tower
3003 South State Street
Ann Arbor, MI 48109-1276