MEMORANDUM 43-17HR

TO: Agency Administrators
FROM: Carolyn Horwich, Esq., Director of Human Resources
THROUGH: Rip Colvin, Executive Director
SUBJECT: Healthcare Flexible Spending Accounts
DATE: October 26, 2017

The Department of Management Services, Division of State Group Insurance, has just advised us that last Friday, October 20th, the Internal Revenue Service announced a $50 increase for the 2018 plan year annual contribution limit for healthcare and limited purpose flexible spending accounts.

The People First system is now updated and you may make online changes during open enrollment (ends November 3) to increase your annual flexible spending account election to $2,650, if desired. Updating this specific change will be permitted during the correction period (ends November 17) and employees can call People First during this time. However, we urge employees to make any appropriate changes as soon as possible.

At the end of 2018, those who enroll in an FSA will be allowed to carry over up to $500 of unused money into the next plan year.

Use flexible spending accounts for eligible healthcare expenses, including certain dental and vision services, and for qualified child and elder care. Save money on your federal income taxes and enjoy convenient payment options.

Thank you.