



March 29, 2021

To: Department Benefits Representatives (DBRs)
 From: HR Benefits Office
 Re: Flexible Spending Accounts – Filing deadline remains as April 15, 2021 for the 2020 Tax Year

The Treasury Department and Internal Revenue Service (IRS) announced that the 2020 federal income tax filing deadline has been extended from April 15, 2021 to May 17, 2021. However, the University of California is **not** able to extend the claims-filing deadline for the Health Flexible Spending Account (FSA). This means that if participants want to be reimbursed for 2020 eligible expenses, they must submit their Health FSA claims to WageWorks by **April 15, 2021**.

Since UC’s contract with WageWorks has been terminated, all services by WageWorks will cease shortly after the April 15 Health FSA deadline. Therefore, regardless of the IRS extension, the final steps in the transition of administration from WageWorks to Discovery Benefits/WEX must be completed as planned, including transitioning all outstanding balances to Discovery Benefits/WEX following the processing of final 2020 Health FSA claims.

- As noted in a previously shared DBR communication, a “blackout period” is necessary, during which outstanding balance data will be transferred from WageWorks to Discovery Benefits/WEX. **DepCare claims for 2020** expenses cannot be processed from April 16, 2021 to no later than May 31, 2021. Claims for expenses incurred in **2021**, including debit card purchases, will continue to be processed with no blackout period.

Completing the transition as planned will allow Health FSA participants access to the remaining balances carried over from 2020 by the end of May. This also allows for sufficient processing of DepCare claims following the blackout period, during the extended grace period.

The following chart is reproduced from the FAQs for your reference:

For this plan...	For an expense incurred in...	File claim to...	During these dates...
Health FSA	Calendar year 2020	Wage Works	No later than April 15, 2021
	Calendar Year 2021	Discovery Benefits/Wex	January 1, 2021 – April 15, 2022
DepCare	Calendar year 2020	Wage Works	Until April 15, 2021*
		Discovery Benefits/Wex	June 1, 2021* – January 31, 2022
	Calendar Year 2021	Discovery Benefits/Wex	January 1, 2021 – April 15, 2023

* From April 16 through May 31 (end date to be confirmed), Discovery Benefits/Wex will be in a “blackout period” during which claims for plan year 2020 will not be processed. Participants are advised to hold 2020 claims until the blackout period is lifted.

As previously announced, the 2021 DepCare FSA annual maximum has increased to \$10,500. This change has been made in the UCPath system, so participants may now increase their contributions up to that amount if they choose.

For additional details, please reference the following previously-published communications:

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- March 11, 2021 – [Update: New Pandemic Relief for Flexible Spending Arrangement \(FSA\) Participants](#)
 - March 8, 2021 – [New Pandemic Relief for Flexible Spending Arrangement \(FSA\) Participants](#)
 - *Please note: for your convenience, important details have been highlighted for your review.*