



Important changes to your upcoming FSA Renewal

We are changing our FSA plan year from the current calendar year format of January 1-December 31 to a plan year of May 1-April 30. In order to transition from the current plan year to the new plan year, our FSA plan will be operating on a "short plan year," starting January 1, 2012 and ending April 30, 2012.

Why are we doing this?

The fall and early winter is our busiest time of year. In order to devote the necessary resources to enhance your Open Enrollment experience, we are moving the FSA plan anniversary date to the spring time to allow us to help make the Open Enrollment more successful.

We also feel it is important that you experience one Open Enrollment for all of your benefits. Starting in the spring of 2012, your Medical, Dental and FSA Open Enrollment will take place during the same time. This creates a more consolidated process and, ultimately, allows our employees to make the best educated decisions on their elections.

What is a short plan year?

A short plan year is a transitional period of less than 12 months that acts as a bridge between the current plan year and the new plan year. This fall, when your employees make their FSA elections, these elections will only last for the four month short plan year.

What does this mean for you and your employees?

The first open enrollment will be for the upcoming short plan year, January 1, 2012 April 30, 2012. The maximum amount you can elect to enroll in the Health FSA is \$1,200. Remember the short plan year is only four months. When calculating your annual election amount please remember to divide the total amount you want to elect by the appropriate number of pay cycles in a four month period.

You will experience another Open Enrollment in the spring for your May 1, 2012- April 30, 2013 plan year. This new plan year will cover an entire 12 month period, so your annual election amount will now be divided by the appropriate number of pay cycles in a twelve month period.

As part of the Health Care Reform Act, the maximum amount you can enroll in for the Health FSA is \$2,500. This rule is effective for plan years beginning May 1, 2012.

Customer Service Information



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