

Flex Plan Program

2021 Open Enrollment October 5 – October 30, 2020

24 hours / 7 days a week

Due to physical distancing guidelines related to COVID-19,
TASC representatives will not be available at JFB this year

LADWP Flex Plan Staff will be available to answer questions about general plan information.

Email: Flexplan@ladwp.com

Phone: (213) 367-FLEX

Website: <https://healthcareladwp/Home/FlexPlanInfo>

2021 Plan Year is January 1, 2021 through December 31, 2021

OPEN ENROLLMENT

The Open Enrollment period for the 2021 Plan Year is **October 5 – October 30, 2020**. During this period, you **must** enroll online at <https://uba.tasconline.com/login> (24 hours, 7 days a week) for the Flexible Spending Account (FSA) Plan.

ALL PARTICIPANTS WILL BE REQUIRED TO ACTIVELY ENROLL AND ELECT BENEFIT AMOUNTS DURING THE OPEN ENROLLMENT PERIOD FOR THE UPCOMING PLAN YEAR.

If you are currently enrolled in the Flex Plan Program and want to continue for the 2021 plan year, **you are still required to make your elections** during the Open Enrollment period.

If you are currently enrolled in the Flex Plan Program and you do **NOT** want to continue your participation in the plan, **you DO NOT need to do anything during the Open Enrollment period because the Flex Plan is an active enrollment process.**

However, in order to make sure your FSA account is canceled, you are required to deplete all funds that you have contributed to your account(s).

If on December 31, 2020 you have funds that are eligible for the carryover or rollover options offered by the Flex Plan, 90 days after the 90-day runout period, those funds will automatically be transferred to the 2021 plan year (Jan. 1, 2021 – Dec. 31, 2021) and result in the bi-weekly administrative fee continuing throughout the entire plan year.



Who is Eligible?

You are eligible to participate in any of the LADWP Flex Plan accounts if you are an **ACTIVE** LADWP Civil Service employee regularly scheduled to work at least 20 hours per week. Employees who are retired, exempt daily rate, part-time exempt, or on a limited appointment, are not eligible. **Your account will be canceled if you actively enroll in a Flex plan for which you are not eligible.**

Flex Plan FSA increases your take-home pay by reducing your taxable income. Why not reduce these expenses by using pre-tax dollars instead of after-tax dollars? With rising healthcare costs, **every penny counts!** By using pre-tax dollars, you are taxed on a lower gross salary, thereby saving money that would otherwise be spent on Federal, State and FICA taxes, and **increasing your take home pay!**

Flex Plan Administration

LADWP's third-party administrator for the Flex Plan Program, TASC, has self-service tools available to easily manage your FSA(s) through your FlexSystem accounts and TASC Card transactions:

Web Portal: www.tasconline.com/tasconline/flexsystem/enroll (24 hours, 7 days a week online enrollment during the Open Enrollment period).

- ➔ MyTASC Online: <https://uba.tasconline.com/login>
- ➔ MyTASC Mobile App: www.tasconline.com/mobile
- ➔ MyTASC Text Messaging (SMS)
- ➔ Phone: 1-800-422-4661



Administrative Fee

If you participate in the Healthcare, Dependent Care, Transit and/or Parking FSAs, the administrative fee is **\$1.53** per pay period for the plan year and is paid via payroll deduction on a bi-weekly basis ($\$1.53 \times 26$ pay periods per year = \$39.78 for the plan year). There are no enrollment or re-enrollment fees.

Note: If you participate in one or more FSAs, (Healthcare, Dependent Care, Transit or Parking), you will only pay one administrative fee per pay period.

Carryover

LADWP allows up to \$500 of unreimbursed funds for the Healthcare FSA to carry over to the new plan year (January 1, 2021 to December 31, 2021).

If you have funds leftover from the previous plan year that will be carried over into the new plan year, the per pay period administrative fee will apply throughout the plan year.

For example, a participant has \$400 remaining in a Health Care FSA as of December 31, 2020 that they have not spent. 90 days **after** the 90-day runout period to submit for reimbursement, or when the 2020 Plan Year is finalized by TASC, whichever comes first, the funds will automatically carry over to the new plan year regardless of whether or not the participant has made an election for the new plan year. This means that the participant will have an “active” account with TASC, the remaining \$400 will be loaded into the account and the participant will be required to pay the administrative fee, per pay period, for the entire plan year.

Note: Even if the participant has NOT elected a new benefit amount during Open Enrollment, if there are carryover funds, the participant will be required to continue paying the administrative fee each pay period.

USE-IT-OR-LOSE-IT RULE

Rule	Explanation
Healthcare FSA Carry over up to \$500. Anything over \$500, Use It or Lose It	Carry over up to \$500 of the Healthcare FSA funds not used by the end of the plan year. Carry over Healthcare FSA funds will only be automatically applied to your account 90 days AFTER the 90-day runout period ends, or when the 2020 Plan Year is finalized by TASC, whichever comes first. The 2021 maximum election for Healthcare FSA is \$2,750.00 .
Dependent Care FSA Use It or Lose It	At the end of the plan year, any unused balance left in your Dependent Care FSA will be forfeited per IRS rule. The maximum election amount remains at \$5,000.00 per plan year and per household for 2021.
Commuter FSA – Roll over Transit and Parking account balances into the next plan year.	Any unused Transit and Parking account balances will only be automatically applied to your 2021 account 90 days AFTER the 90-day runout period ends, or when the 2020 Plan Year is finalized by TASC, whichever comes first. 2021 Transit maximum is \$2,040.00 , and Parking maximum is \$2,940.00 .

PAYROLL DEDUCTIONS

For the Healthcare, Dependent Care, Transit and/or Parking Flexible Spending Accounts, the total amount of money you choose to set aside will be deducted in equal installments from your bi-weekly paycheck (before your taxes are withheld) each pay period during the plan year **(January 1, 2021 to December 31, 2021)**. Participants will also be required to pay the administrative fee of \$1.53 per pay period.

NOTE: New employees who enroll during the plan year will have payroll deductions taken in equal installments from their bi-weekly paycheck for the remaining pay periods of the plan year, as well as the administrative fee.



It is important for you to review your paychecks regularly to ensure that your contributions to the Flex Plan reflect an accurate payroll deduction. Please notify the Flex Plan Administrator **immediately** at FlexPlan@ladwp.com about any discrepancies.

For additional detailed information regarding LADWP's Flex Plan Program, please go to LADWP's intranet: **MyDWP/Human Resources/HRServices/Flex Plan** for a copy of the **Summary Plan Description**.

Health Plan Premiums

If you are enrolled in either an LADWP or union-sponsored health plan and your premium exceeds your LADWP subsidy, your out-of-pocket contribution toward your premium is automatically deducted from your paycheck on a pre-tax basis. **You do not need to enroll in the Flex Plan to receive this pre-tax benefit.** Because the out-of-pocket contribution is already automatically deducted on a pre-tax basis from employees' paychecks, health plan premiums are not eligible expenses for the Flex Plan's Healthcare FSA.

The following FSAs and annual election maximums are available Flex Plan Year 2020:

- **HealthCare FSA - maximum \$2,750, an increase of \$50 from 2020!**
- **Dependent Care FSA - maximum \$5,000**
- **Transit - maximum \$2,040. (= IRS \$3,240. max - \$1200 annual LADWP Transit subsidy) ***
- **Parking - maximum \$2,940. (= IRS \$3,240. max - \$300 annual LADWP Parking subsidy) ***

***See page 6 for more details about Transit and Parking FSA maximums.**

For a partial list of permissible expenses reimbursable through the Healthcare FSA or Dependent Care FSA, please refer to the Employee Education flyer titled **"Expenses that qualify for reimbursement from FlexSystem (Healthcare FSA / Dependent Care FSA)"** located on LADWP's intranet: **MyDWP/Human Resources/HRServices/Flex Plan**.

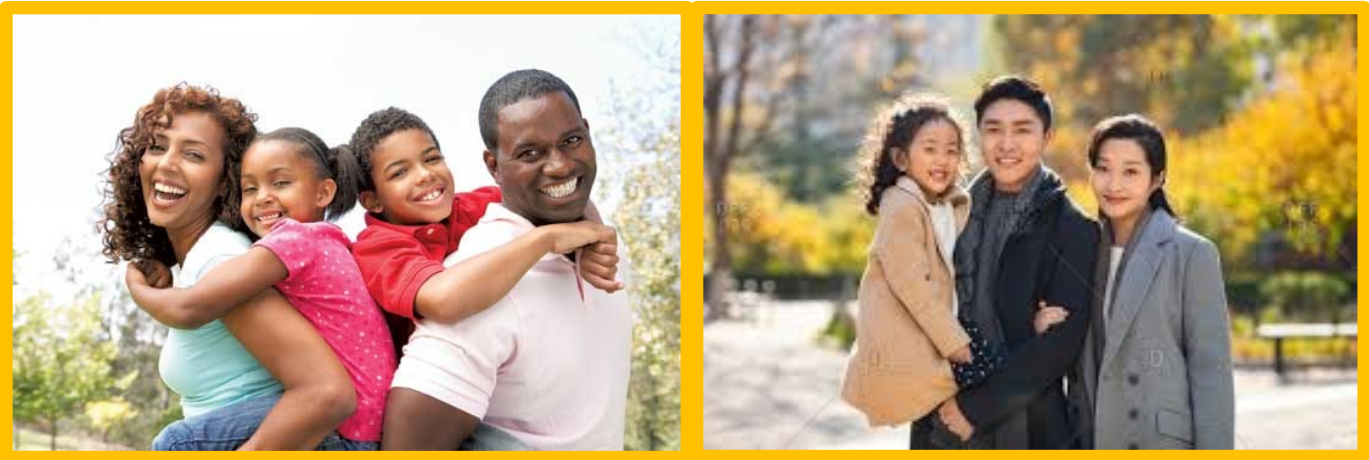
Healthcare FSA

The Healthcare FSA is for out-of-pocket eligible medical expenses throughout the Plan Year, which may include deductible and co-insurance portions of health insurance (NOT premiums), dental expenses, orthodontic expenses, eye care, and other eligible healthcare expenses.

Dependent Care FSA

The Dependent Care FSA allows you to use pre-tax dollars to pay for eligible expenses related to care for your child, disabled spouse, elderly parent, or other dependent who is physically or mentally incapable of self-care, so you (or your spouse) can work, look for work, or attend school full time. **Medical expenses for your dependent are not eligible for reimbursement under the Dependent Care FSA.**

For additional information, please refer to the Employee Education flyer titled “**Dependent Care FSA Qualifications**” located on LADWP’s intranet: **MyDWP/Human Resources/HRServices/Flex Plan.**



Commuter Spending Accounts (Transit FSA and Parking FSA)

The Transportation Equity Act makes it possible for employees to contribute pre-tax dollars to a Transit and/or Parking Account in order to pay for qualified work-related transportation expenses.

Transit: Public Transportation (bus, train, subway)

Parking: Park n’ Ride, Parking ramps, Parking meters

Parking expenses must take place at or near your place of employment, or at a location from which you commute to work.

For additional information, please refer to the Employee Education flyer titled “**Transit & Parking Pre-Tax Reimbursement Accounts**” located on LADWP’s intranet: **MyDWP/Human Resources/HRServices/Flex Plan.**



Transit FSA

The **Transit FSA** provides employees a way to lower the cost of getting to work by reducing mass commuting expenses. However, LADWP employees, who are eligible to receive the \$100 pre-tax monthly LADWP transit subsidy from the CARS Office can **only** have a maximum annual election of **\$2,040** (= IRS \$3,240 max - \$1200 annual LADWP Transit subsidy). Therefore, employees may only contribute up to **\$78.46** pre-tax dollars per pay period.

Parking FSA

The **Parking FSA** allows employees to set aside pre-tax dollars to pay for your **non-LADWP subsidized** parking expenses. For instance, if you pay for parking at a location from where you start your commute to work, this expense can be paid for with your parking account funds. However, LADWP employees, who are eligible to receive the \$25 pre-tax monthly LADWP transit subsidy from the CARS Office can **only** have a maximum annual election of **\$2,940** (= IRS \$3,240 max - \$300 annual LADWP Parking subsidy). Therefore, employees may only contribute up to **\$113.07** pre-tax dollars per pay period.

NOTE: The parking fee at LADWP facilities is already a pre-tax deduction and is not eligible for the Flex Plan Program.

How Much Should You Contribute?



Estimate out-of-pocket expenses for the Plan Year for you and your qualified dependents.

- Healthcare expenses for employee, spouse, and/or dependents
- Dependent care expenses for qualified dependents
- Transit/Parking expenses for employee only

Enrolling in an FSA is a savvy way to save money. Determine a contribution level that makes sense to you for the various benefits offered by LADWP.

DURING OPEN ENROLLMENT

OCTOBER 5 – OCTOBER 30, 2020

ONLINE ENROLLMENT ONLY

Online enrollment into FlexSystem FSA is available 24 hours a day from the convenience of your home. Once you are enrolled, you may access your FlexSystem FSA online at any time.

A valid email address is required to authenticate your account. If you do not have an email address, you may set one up for free with an email hosting service such as Gmail, Hotmail, or Yahoo. Follow the system prompts to enroll.

NOTE: The online enrollment portal is only accessible during the open enrollment period. If you miss enrolling at this time, you will have to wait until the next plan year's open enrollment period to enroll.

Instructions:

1. Choose which FSA(s) you wish to participate in for the 2020 Plan Year.
2. Determine your **total annual elections** to be contributed pre-tax into each type of FSA.
3. The (LADWP) Employer ID Number is: **4407-2699-0350**
4. Login to: <https://uba.tasconline.com/login> to establish your personal username and password.

For enrollment assistance, contact Customer Care via TASC's online portal MyService Request (from MyTASC, click Contact Us) or call toll-free 800-422-4661, or go to www.tasconline.com/uba_upgrade for more participant information.