

Roper St. Francis Healthcare Plan Updates

April 2021

New Regulatory Guidance

As a result of the National Emergency regarding COVID-19, regulatory guidance was issued to *temporarily* extend certain plan deadlines and allow election changes. Additional guidance related to this relief has since been issued and is explained further below. In addition, there are some enhancements to your flexible spending accounts.

Purpose of Rules

Because of the National Emergency, some teammates may have difficulty meeting certain plan deadlines for enrollment or claims filing, or may have difficulty utilizing account-based funds. The purpose of the rules is to allow additional time for teammates to meet certain plan deadlines, and allow election changes to be made.

The opportunity to make optional midyear election changes only impacts health care and dependent care flexible spending accounts (FSAs).

Effective Date

The rules apply to any deadline that ended on or after March 1, 2020, i.e., the beginning of the Outbreak Period. Any plan deadlines ending on or after March 1, 2020 will be extended through the earlier of 1 year following the date in which the deadline would have ended or following the end of the National Emergency plus an additional 60 days, i.e., the end of the Outbreak Period.

For example, if an employee had 30 days remaining to make an election for one of the deadlines impacted by this relief, the employee would have either 30 days following the end of the Outbreak Period or one year from when the deadline would have passed, if earlier, to take action.

At this time, it is not known when the National Emergency will end.

Additional relief for health care, limited purpose health care, and/or dependent care FSAs

The passage of the Consolidated Appropriations Act, 2021 (CAA) provides special relief for health and dependent care FSAs. Temporary enhancements to your FSAs have been outlined below.

The passage of The American Rescue Plan Act (ARPA) increases the income exclusion for employer-provided dependent care assistance programs for 2021. The temporary enhancement to your dependent care FSA has been outlined below.

Plans Impacted and New, Temporary Guidelines

Benefit Plans Provisions Impacted	New Guidelines
ARPA: Pre-tax contributions to dependent care FSAs were limited to \$5,000 a year for individuals or married couples filing jointly, or \$2,500 for a married person filing separately.	For the 2021 plan year only, pre-tax contributions to dependent care FSAs increase up to \$10,500 a year for individuals or married couples filing jointly, or \$5,250 for a married person filing separately.
CAA: Change in Election for FSAs could previously be made with a specific change event and reason.	For the 2021 plan year only, changes to FSA elections can now be made for any reason and without necessarily experiencing a specific change event. For example, a teammate may increase or decrease their election amounts, enroll in the plan or terminate their participation in the plan (except that an election cannot be reduced to below the greater of amount of claims already paid to the teammate or how much the teammate has contributed). These changes are permitted on a prospective basis only.

<p>CAA: A dependent care flexible spending account reimburses qualified care expenses for children younger than age 13.</p>	<p>For the 2020 plan year and for 2020 funds carried over into the 2021 plan year, a teammate may use their dependent care FSA to pay for permitted reimbursable expenses for their child until they turn age 14.</p> <p>For any remaining 2021 funds that cannot be characterized as 2020 carryover funds and for all years thereafter, a teammate may use their dependent care FSA to pay for permitted reimbursable expenses for their child until they turn age 13.</p>
<p>CAA: A health care FSA may allow teammates to “carry over” up to \$500 to be used for expenses incurred in the next plan year.</p>	<p>There is no cap in carrying over unused 2020 plan year health care and dependent care (new) funds into the 2021 plan year.</p> <p>Additionally, any unused, remaining 2021 plan year health care and dependent care funds can be carried forward into the 2022 plan year.</p> <p>After these plan years, teammates will not be permitted to carry over any funds in their dependent care FSAs, and, for their health care FSAs, teammates will only be able to carry over up to the amount communicated by RSFH.</p>
<p>HIPAA Special Enrollment timeframe is 31 days following the date of the event (such as acquiring a new spouse or dependent) for changes to medical plan elections.</p>	<p>The deadline to submit a medical plan change will be extended to 31 or 60 days following the earlier of the end of the Outbreak Period or one year following the occurrence of the event, depending upon the event (listed below). As an example, if a teammate marries on April 15, 2020 the teammate would now have until whichever time is earlier to submit a change:</p> <ul style="list-style-type: none"> - 31 days following the Outbreak Period - May 16, 2021 (i.e., 31 days after April 15, 2021). <p>HIPAA Special Enrollment events include the following:</p> <ul style="list-style-type: none"> • 31 days: birth, adoption, placement for adoption, marriage, or loss of other coverage • 60 days: loss of eligibility for state Medicaid or CHIP or gains eligibility for premium assistance under Medicaid or CHIP
<p>Claim filing deadline for FSA plan year is the March 31 following the end of the plan year.</p>	<p>The deadline to submit 2019 and 2020 health or limited purpose FSA claims is as follows:</p> <ul style="list-style-type: none"> - 2019 plan year claims: March 31, 2021 - Note: the end of the Outbreak Period cannot be the earlier time period in this scenario. - 2020 plan year claims: the earlier of <ul style="list-style-type: none"> o 90 days following the end of the Outbreak Period, or o March 31, 2022. <p>This extension does not apply to the dependent care FSA.</p>
<p>External review deadline for medical plan was 4 months from date of adverse benefit determination.</p>	<p>As an example, if a teammate received an adverse benefit determination of a medical claim on March 1, 2020 the deadline to submit a request for external review is 4 months or typically July 1, 2020. However, because of the relief, a teammate the timeframe is pended is to the end of the Outbreak Period, or, if earlier, March 1, 2021. Then, the teammate will have 4 months from this date to submit a request for external review.</p>
<p>Claim appeal deadline for FSA was 180 days.</p>	<p>As an example, if a teammate received an adverse benefit determination on February 15, 2021 the deadline to submit an</p>

	<p>appeal is 180 days, which would typically be August 15, 2021. However, the timeframe in which to appeal is pended to the earlier of February 15, 2022 or the end of Outbreak Period. Then, the teammate will have 180 days from this date to submit a request for an appeal.</p>
<p>Permanent change to permissible qualifying expenses in your health FSA</p>	<p>Health care FSAs may reimburse employees for two additional types of expenses:</p> <ul style="list-style-type: none"> • <i>all</i> over-the-counter drugs, whether or not they are prescribed by a physician, and • menstrual care products. <p>You may submit claims for reimbursement for these expenses if they are incurred on or after January 1, 2020.</p>

The above communication constitutes a Summary of Material Modifications (SMM) to the Roper St. Francis Healthcare summary plan description (SPD). It is meant to supplement and/or replace certain information in the SPD, so retain it for future reference along with your SPD. Please share these materials with your covered family members. If you need a copy of your SPD, or if you have questions or concerns about this SMM, contact the HR Benefits Team at Roper St. Francis Healthcare at 8536 Palmetto Commerce Parkway, Suite 402, Ladson SC 29456 or 843-720-8400 Option 2 or HRBenefitsTeam@rsfh.com.