

2021 Amendment to the City of La Crosse Section 125 Plan

The Employer hereby amends the Plan effective March 12, 2021.

EXTENDED GRACE PERIOD FOR THE HEALTH FSA AND/OR THE DCAP

Notwithstanding Sections B.6, B.7, or C.6 of the Plan, the Glossary or any other provision of the Plan to the contrary, effective March 12, 2021, the 2½ month grace period ending on March 15, 2021 is hereby extended through December 31, 2021. This extension will allow 2020 participants to use remaining 2020 funds for applicable eligible expenses incurred through December 31, 2021. **Health FSA** amounts may only be used for medical care expenses, and **DCAP** amounts may only be used for dependent care expenses.

SPECIAL ENROLLMENTS AND/OR MODIFICATIONS DUE TO PANDEMIC

Pursuant to the 2021 Consolidated Appropriations Act, restrictions may be eased on mid-year enrollments and changes to FSA plans. Notwithstanding any other provision of the Plan to the contrary, an eligible Employee may make a new prospective election for the **Health FSA** and/or **DCAP** without experiencing the occurrence of an event described in Section 6.4 above. This special exception applies to all eligible Employees, whether currently participating or not.

All such special enrollments/modifications can only occur prior to October 15, 2021 and must be prospective in nature.

However, a current **Health FSA** Participant cannot decrease the current annual election to an amount less than the amount that the **Health FSA** Participant has already been reimbursed for the Plan Year. This is a special two-time election modification period. After an Employee uses this special enrollment/modification on two different occasions, the Employee can only subsequently modify the Employee's **Health FSA** or **DCAP** (whichever is applicable) if the Employee experiences a qualifying change in status per Section 6 of the Plan.

If a current Participant ceases all contributions to the **Health FSA** or the **DCAP**, the Participant's coverage will terminate as stated in Section 4.3 of the Plan.

DCAP AGE LIMIT MODIFIED FOR APPLICABLE PARTICIPANTS

For a **DCAP** Participant enrolled in the 2020 Plan Year who had a child who reached age 13 during the 2020 Plan Year and who was unable to use all contributed funds, such Participant may use the remaining funds from the 2020 Plan Year to pay any incurred **DCAP** expenses during the 2021 Plan Year for that previously eligible child until the child reaches age 14.

EXTENDED CLAIMS FILING PERIOD FOR THE HEALTH FSA AND/OR DEPENDENT CARE FSA

Due to the extension of the Grace Period associated with the 2020 Plan Year for the **Health FSA** and/or the **DCAP** from March 15, 2021 to December 31, 2021, the Claims Filing Deadline for the 2020 Plan Year shall be extended until March 30, 2022.

Only expenses incurred while an Employee is a Participant are eligible for reimbursement from the **Health FSA**. Claims must be incurred from January 1, 2020 (or the beginning of the Participant’s coverage) until December 31, 2021. Only qualified Expenses incurred during this time period are eligible for reimbursement.

After the extended deadline, the 2020 **Health FSA** and/or **DCAP** will be closed and any remaining funds left unclaimed will be forfeited.

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing amendment to the City of La Crosse Section 125 Plan, the City of La Crosse has caused this Amendment to be executed in its name and on its behalf, on this ____ day of March, 2021.

City of La Crosse

Signature: _____

Title: _____

Witnessed by

Signature: _____