

September 2009

Flexible Spending Plans (DCRA, HCRA) and Furloughs

Dependent Care Reimbursement Account:

DCRA may be impacted by the furlough program due to a reduction of hours and significant change in dependent care expenses. In order for an employee to cancel or decrease DCRA deductions due to reduction of hours, there must be a demonstration of a gain or loss of eligibility to enroll in DCRA. However, an employee who experiences a significant change in cost of child care or experiences a change in child care providers may either enroll, cancel, decrease or increase contributions based on this reason.

Please note that the date the change is received by the State Controller's Office will determine which remaining months of 2009 can be affected. Change/cancel forms may be obtained from Human Resources at X3626.

Health Care Reimbursement Account:

HCRA is not impacted by the furlough program. Please note that being placed on a furlough is not a qualifying event for the purpose of reducing or changing HCRA deductions.