



New 2013 FSA Maximum Contributions Released

January 5, 2012

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The Patient Protection and Affordable Care Act (PPACA) imposed a new \$2,500 limit on the contribution or election amount for health care Flexible Spending Accounts (FSA). The new requirement applies to all FSA plans whose taxable years begin after Dec. 31, 2012 — even plans grandfathered under other provisions of health care reform.

The “taxable year” refers to the employee's taxable year --and in most cases this stipulation means a calendar year. Thus, a calendar year limitation of \$2,500 in salary reductions for the health care FSA will become effective Jan. 1, 2013.

Changes to Plan Documents

Plans that currently allow a health care FSA election of more than \$2,500, must amend plan documents before Jan. 1, 2013, and change employee communications. Non-calendar plans that amend their plans as of Jan. 1, 2013, mid-plan year, may face some unique challenges or situations due to the changes required.

Be Proactive

To simplify administration of this change, sponsors of non-calendar year plans may want to adopt the new limit as of the first day of the plan year rather than waiting until Jan. 1, 2013. For example, if the current plan year begins May 1 and ends April 30, the plan sponsor may:

- Communicate the change to employees.
- Amend their plan documents to implement the new \$2,500 maximum election.
- Initiate the changes to the contribution effective May 1, 2012, rather than wait until the mid-plan year in Jan. 1, 2013

OptumHealth's systems will be adjusted to accommodate the new election limits for all enrollments effective Jan. 1, 2013. We will also update our educational materials.

Questions regarding this change may be directed to UnitedHealthcare broker and employer support teams: For customers with 2-99 members call 800-318-5311, for customers with 100 or more members call 866-343-8902.

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