May 2010

Dear City of New York Employee:

As a result of changes made to the Affordable Care Act (ACA), which was recently enacted by the Federal government, please be advised that there is now a general exclusion from gross income for medical care reimbursements for adult children of employees who have not attained age 27 by the end of calendar year 2010.

Please be advised that the Health Care Flexible Spending Accounts (HCFSA) Program will be holding a special Mid-Year Open Enrollment Period. During this time, eligible employees who are not enrolled in the HCFSA Program may enroll themselves and their dependents for the remainder of Plan Year 2010, if they have an adult child who will not attain age 27 in calendar year 2010.

This Mid-Year Open Enrollment Period will run from June 1, 2010 through June 15, 2010. Participants who enroll may submit claims for medical expenses incurred by themselves and their dependents on or after July 1, 2010. Payroll deductions to fund the participant’s HCFSA will commence in the first or second paycheck in July. (DOE employees (except H-Bank) will begin experiencing payroll deductions their September 2010 paychecks.)

If you have an adult child who will not turn 27 by the end of calendar year 2010, and would like to enroll in the HCFSA Program for the remainder of Plan Year 2010, please complete an HCFSA Special Mid-Year Open Enrollment Form and submit it between June 1, 2010 and June 15, 2010. The Enrollment Form, as well as the Flexible Spending Accounts (FSA) Program Brochure for Plan Year 2010, can be downloaded from the FSA Program Web site at www.nyc.gov/fsa.

If you have any questions, please contact the HCFSA Administrative Office at (212) 306-7760.

Sincerely,

The City of New York
Tax-Favored Benefits Program