

**Subject: Enrollments Begin for Federal FSA Program**

**Sent: Tuesday, 17 June 2003**

On Monday, 16 Jun 03, the Office of Personnel Management (OPM) announced in Benefits Administration Letter 03-804 that SHPS is now accepting enrollments for the Federal Flexible Spending Account Program (FSAFEDS) through their web site ([www.fsafeds.com](http://www.fsafeds.com)) and toll-free number (1-877-FSAFEDS). Additionally, OPM has extended the initial open season, in which employees may make any change to their enrollment, through June 27. After that date, employees may only make changes if they experience a Qualified Status Change or during the next Open Season, 10 Nov thru 8 Dec 03. As a reminder, employees must enroll thru SHPS by 27 Jun 03; however, because the DFAS system won't be ready until sometime in September to accept enrollments, the plan year for Air Force employees who enroll during this current open season will be 1 Sep - 31 Dec 03.

OPM delayed accepting enrollments while they considered whether agencies had the authority to pay the negotiated administrative fees on behalf of their employees (\$4 per month for participant for a health care FSA (HCFSA); 1.5% of the annual allotment per participant for a dependent care FSA (CDFSA)). While OPM's Director, Kay Coles James, sent a memorandum on 13 June 2003, to heads of departments and agencies urging the payment of fees for their employees, the decision is up to each individual employing agency. Until the decision is made, employees will be asked to agree to the following statement as part of the enrollment process:

I understand that my agency has been offered the opportunity to pay my administrative fees. If my agency chooses not to cover these fees, I also understand that I am personally responsible for payment of administrative fees, and that the annual fee amount for my FSA(s) will be deducted in its entirety, from my available account balance, at the beginning of the Plan Year.

At this time, we are awaiting a decision regarding the payment of administrative fees in DoD. We will advise you as soon as additional information is available.

If you have electronic capability, please forward this E-mail to all directorates/organizations at your base and ask that they forward it to all levels within their organization. As always, thank you for your support.

Chief, Special Operations Division  
AFPC/DPCM