

# Wisconsin Retirement System (WRS) – Contribution Rate Update for 2021

Most WRS Contribution Rates will increase/decrease for all employee types, effective **January 1, 2021**.

	2020	2021	Change
<b>General / Teacher / Executive</b>			
Employee Contribution	6.75%	6.75%	No change
Employer Contribution	6.75%	6.75%	No change
<b>Total</b>	<b>13.50%</b>	<b>13.50%</b>	
<b>Protective</b>			
Employee Contribution	6.75%	6.75%	No change
Employer Contribution	11.65%	11.75%	Increase
<b>Total</b>	<b>18.4%</b>	<b>18.5%</b>	

Accumulated Sick Leave Conversion Credit Contributions (employer contribution) will decrease for 2021 from 1.20% to 1.10%. Duty Disability for Protectives will remain at .17%.

For more information on WRS, go to the [WRS page](#).

Contact UW System HR at [uwshr@uwsa.edu](mailto:uwshr@uwsa.edu) with questions.

# Flexible Spending Account & Dependent Day Care Account Changes

On June 29<sup>th</sup>, the Group Insurance Board (GIB) approved the following flexibility granted by the IRS due to the COVID-19 pandemic:

- Allow a mid-year change to the Flexible Spending Accounts (FSA) and Dependent Day Care Accounts **without a qualifying life event**.
- Increase the healthcare FSA carryover limit maximum by \$50 effective January 1, 2021.

## When can an employee make changes to these accounts?

From July 1, 2020 through August 31, 2020, **currently enrolled employees** have a one-time opportunity to increase or decrease\* their annual contribution.

*\*Employees may only decrease their annual contribution to **no less than** what they have already contributed or spent year-to-date, whichever is greater.*

# Flexible Spending Account & Dependent Day Care Account Changes

## **When is the increase or decrease to their elections effective?**

The first of the month following receipt of the employees change form.

## **How should an employee initiate an increase or decrease to their election(s)?**

To make a change, an employee should complete the [Election Change Request Form](#). On the form, in step 3, they should check “COVID-19” as the reason for their change. Then, they should submit their form to UW-Shared Services, Service Operations **by August 31, 2020** for approval and processing.

## **How do employees take advantage of the increased healthcare FSA carryover limit?**

No action is necessary for employees to take advantage of the increased carryover limit (up to \$550 effective January 1, 2021).

# Flexible Spending Account Mid-Year Enrollment Change Processing

- All applications for the mid-year election change (no other qualifying event) FSA medical/dependent care changes must be submitted to UWSS Service Operations Attn: Benefits team to be processed.
  - The mid-year FSA medical/Dependent care change in enrollments require an audit to approve the request to reduce 2021 enrollments
  - Administrator role required to access current employee account balances through CYC
  - Service Operations will provide the processing for all applications to change

# Flexible Spending Account Mid-Year Enrollment Change Processing

- Increase in Annual Election
  - Employee completes FSA Election Change Request form and submits to UWSS Service Operations Attn: Benefits Team for processing
  - Change is effective first of the month following receipt of application
  - New FSA payroll deduction amount will be calculated and taken in equal increments over remaining payrolls
- Decrease in Annual Election
  - Employee reviews FSA account totals, completes FSA Election Change Request form and submits to UWSS Service Operations Attn: Benefits Team for processing
  - UWSS verifies FSA account totals for eligibility and processing
  - Change is effective first of the month following receipt of application

# Flexible Spending Account Mid-Year Enrollment Change Processing

- Effective Date
  - Change applications received by July 31 will be effective August 1
    - 8M for monthly employees
    - 8A for bi-weekly employees
  - Change applications received between August 2 and August 31, will be effective September 1, 2020
    - 9M for monthly employees
    - 9A for bi-weekly employees
- Approval Process
  - Applications that are unable to be processed due to an incorrect election amount will be returned to the employee as “denied”
    - Employees can respond by email or resubmit a new application with the corrected election amount. If approved, these applications will be effective 1<sup>st</sup> of the month following receipt of the new application

Note: A article will be posted on the portal for employee reference