

Letter 8 with response

From: [PATRICK IBER](#)
To: [ETF SMB Board Feedback](#)
Subject: Dependent day care 2020
Date: Wednesday, March 31, 2021 12:18:22 PM

Hello,

I recently received an email reminding me that it was necessary to submit for reimbursement for dependent day care expenses in 2020. I submitted all possible documentation, but it turns out, unsurprisingly, that we only had reimbursable child care expenses for the first months of 2020. After that, the coronavirus lockdown caused such services to become unavailable. We did what we were asked to do to protect the state and its population keeping our children at home, taking care of them ourselves, while working harder than ever.

It upsets me to learn that I will lose about half of the money that I had set aside to take care of my kids in 2020. I had to make that decision back in 2019, before the pandemic existed. How was I supposed to plan for this? As I understand it, the CARES Act made it possible for employers to allow employers to roll over their unused 2020 dependent care funds to 2021, but the state of Wisconsin has chosen not to do so. Why not? I can certainly see an argument that these sorts of accounts shouldn't exist. But given that they do exist, I don't see why I should have to lose money because of the pandemic conditions that were outside of my control, which only shifted the costs and burdens of child care on *to me*. I would urge you to make these funds recoverable to the thousands of parents who will be affected in a similar way.

Thank you for your attention to this matter.

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[The Cultural Cold War in Latin America](#)



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April 13, 2021

Dear Mr. Iber,

Thank you for reaching out to the Department of Employee Trust Funds (ETF) regarding your 2020 Dependent Day Care Account Program (DCAP) contributions with ETF's Third-Party Administrator, ConnectYourCare (CYC). I understand how frustrating this may be for you. I have provided information below for you. If after your review, you find you still have questions, please feel free to let me know; my contact information is below.

Currently, the DCAP does not allow funds in 2020 to rollover into 2021. Any balance remaining after the runout period ends on March 31, 2021 is forfeited or lost. You received a notification on March 25, 2021 as a reminder to resolve any outstanding 2020 claims.

However, since the start of the pandemic, federal law has allowed provision changes related to the DCAP. ETF has been proactive in reviewing the provision changes for the Group Insurance Board (Board) to adopt.

The Consolidated Appropriations Act (CAA) of 2021 signed into law on December 27, 2020 allows an employer to adopt rollover changes related to the DCAP. ETF has been evaluating these allowable changes since they were released. ETF has also received feedback from multiple employers and members.

ETF is looking to adopt the carryover provision on the DCAP which allows rollover from 2020 into 2021. The Board is expected to vote on this provision change at their next meeting on May 12, 2021. CYC will notify you of any program related changes to the DCAP after the Board's decision. If approved, contributions remaining in a 2020 DCAP will be made available to you at a future date in 2021.

What does all of this mean for your situation? You may be eligible to receive your excess funds from 2020 DCAP into 2021. With the CAA that has been passed, the Board is required to adopt the allowable changes before the funds can be made available to you. As soon as the change is approved, you can use your 2020 DCAP rollover funds to pay for eligible dependent care expenses in 2021.

Thank you for your patience as we navigate the unique circumstances created by the pandemic and changes in federal law that affect program administration. We appreciate the feedback that we receive from members of the Group Health Insurance Program. A copy of your inquiry and ETF's response will be shared with the Board. Again, if you

Patrick Iber
April 13, 2021
Page 2

have additional questions, please reach out to me at Xiong2.Vang@etf.wi.gov or by phone at (608) 266-5875.

Sincerely,

Xiong Vang, HSA & ERA Accounts Program Manager, Office of Strategic Health Policy
Department of Employee Trust Funds

cc: Brian Stamm, Deputy Director, Office of Strategic Health Policy
Group Insurance Board