

Jesse Gelsomini in the Houston Chronicle: How to Manage Flexible Spending Accounts During Coronavirus

May 15, 2020 Jesse Gelsomini

PRACTICES Employee Benefits and Executive Compensation

Haynes Boone Partner [Jesse Gelsomini](#) commented in a *Houston Chronicle* article about how flexible spending plans have become a big liability for workers who set aside thousands of dollars to pay for medical and childcare they can't access due to the COVID-19 pandemic.

Here is an excerpt:

The plans allow employees to set aside up to \$2,750 to cover out-of-pocket healthcare expenses and up to \$5,000 to cover child and elder care expenses. Employees don't pay federal income, Social Security or Medicare taxes on the money, potentially saving thousands of dollars depending on their tax bracket.

Employees participating in their company's dependent care program and don't need the money for childcare any longer should consider asking their employers to stop their dependent care contributions, recommended one employment lawyer.

Life Event

Most employee benefit plans allow employees to change their dependent care contributions — including putting a stop to paycheck withdrawals — if employees' circumstances change, such as when schools close or employees shift to working from home, said employment lawyer Jesse Gelsomini, who represents management clients at Haynes Boone in Houston.

"Under most plans, that will be a permissible change-in-status event," he said.

Employees have 30 days to request a change, but most employers are flexible about when the clock started, said Gelsomini, as working from home, which started as a temporary measure, has become more of a long-term solution.

To read the full article, click [here](#). (Subscription required)