



Benefits Administration Letter

Number: 09-801

Date: October 12, 2009

**Subject: The Federal Flexible Spending Account Program (FSAFEDS):
2010 Administrative Fees**

Purpose

To notify agencies that the Federal Flexible Spending Account Program (FSAFEDS) administrative fees and reserve account fee will not change for the 2010 benefit period.

Background

Administrative Fees

Agencies pay administrative fees to SHPS, Inc. (the third party administrator under contract with the Office of Personnel Management) on behalf of their employees enrolled in FSAFEDS.

Dependent-Care Flexible Spending Account (DCFSA) Administrative Fee

No change. The current DCFSA administrative fee remains unchanged at \$3.25 per DCFSA per month.

Health-Care Flexible Spending Account (HCFSA) Administrative Fee

No change. The current HCFSA administrative fee remains unchanged at \$4.35 per HCFSA per month.

Reserve Account Fee

Agencies pay the reserve account fee to OPM on behalf of their employees enrolled in FSAFEDS. There is no change. The current reserve account fee remains unchanged at \$4.50 per HCFSA per month.

SHPS, Inc. will send out the first of two annual invoice packages in February 2010, reflecting the above fees. Thank you in advance for your prompt payment.

Sincerely,

Kathleen M. McGettigan
Deputy Associate Director
Center for Retirement and Insurance Services