Benefits Administration Letter

Number: 22-801          Date: August 2, 2022

Subject: The Federal Flexible Spending Account Program (FSAFEDS): 2022 Administrative Fees

Purpose

To notify agencies that the Federal Flexible Spending Account Program (FSAFEDS) administrative fees will change for 2022. The reserve account fee will remain the same for the 2022 benefit period. FSAFEDS fees are detailed in Benefit Administration Letter 21-801.

Background

Administrative Fees
Agencies pay administrative fees to HealthEquity, the third-party administrator under contract with the Office of Personnel Management (OPM), on behalf of their employees enrolled in FSAFEDS. To maintain market competitiveness and retain an adequate Reserve Account, OPM determines annually if there will be a buy-down of administrative fees for participating agencies. For the 2022 benefit year, there will be no buy-down.

Dependent-Care Flexible Spending Account (DCFSA) Administrative Fee

The DCFSA administrative fee is $2.73 per DCFSA per month. This fee is for the entire 2022 benefit period.
Health-Care Flexible Spending Account (HCFSA) Administrative Fee

The HCFSA administrative fee is $2.73 per HCFSA per month. This fee is for the entire 2022 benefit period.

Limited Expense Health Care Flexible Spending Account (LEX HCFSA) Administrative Fee

The LEX HCFSA administrative fee is $2.73 per LEX HCFSA per month. This fee is for the entire 2022 benefit period.

Reserve Account Fee

Agencies pay the reserve account fee to OPM on behalf of their employees enrolled in FSAFEDS. For 2022, the monthly reserve fee will remain unchanged at $.25 per HCFSA per month.

The anticipated schedule for the task order and quarterly invoices is as follows:

- February 2022: Initial Task Order Request distributed
- March 2022: Agencies submit fully executed task orders
- April 2022: Q1 2022 (January-March) quarterly invoice distributed
- July 2022: Q2 2022 (April-June) quarterly invoice distributed
- October 2022: Q3 2022 (July-September) quarterly invoice distributed
- November 2022: Q3 2022 (October-November) Task Order Catch-up Request distributed
- December 2022: Agencies submit fully executed Task Order Modifications (as applicable)
- January 2023: Q4 2022 (October-December) quarterly and Catch-up invoices distributed

HealthEquity sent out the initial task order request in February. The agencies should have submitted an executed task order, to receive the first quarterly invoice in April 2022. Subsequent quarterly invoices will be sent accordingly. Thank you in advance for your prompt payment. Please ensure that all past due fees are also paid promptly.
Sincerely,

Laurie Bodenheimer  
Associate Director  
Healthcare and Insurance