

---

## NARA Notice 2020-139: TSP and FSA Changes Due to COVID-19

---

Tue, Jun 30, 2020



## Notice

**To:** All Employees.

**Attention supervisors:** If you have employees who do not have access to a computer, please ensure that those employees receive a copy of this notice. This includes employees on LWOP or paid leave.

---

The Thrift Savings Plan (TSP) and Flexible Spending Account (FSA) programs have instituted temporary changes due to the COVID-19 pandemic.

### TSP Changes

#### Eligibility:

The CARES Act created special, temporary rules for TSP loans and withdrawals for participants affected by COVID-19. To be eligible for these CARES Act loan options, you must be a **qualified individual**. You are a qualified individual if you meet at least one of the following criteria listed in the CARES Act:

- you, your spouse, or your dependent have been diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) by a test approved by the Centers for Disease Control and Prevention, **or**
- you are experiencing adverse financial consequences as a result of:
  - being quarantined,
  - being furloughed or laid off or having work hours reduced due to COVID-19,
  - being unable to work due to lack of child care due to COVID-19,
  - closing or reducing hours of a business that you own or operate due to COVID-19,
  - or other factors as determined by the Secretary of the Treasury.

#### Loans:

For qualified individuals, the maximum loan amount is increased from \$50,000 to \$100,000, and the portion of your TSP balance that you can borrow is raised from 50 percent to 100 percent. The deadline for applying for a loan with this increased maximum will be in September 2020. TSP will announce the exact cutoff date on [TSP.gov](https://www.tsp.gov).

Qualified individuals may also suspend payments on TSP loans for the rest of calendar year 2020. This applies to existing loans and loans taken in the remainder of 2020. TSP will provide a new form to request this suspension.

#### Withdrawals:

Qualified individuals may make a one-time withdrawal of up to \$100,000 from a civilian or uniformed services account. TSP will waive the usual requirements that you must be at least 59½ years old or certify that you meet specific financial hardship criteria for qualified individuals who are still in Federal service. TSP will not automatically withhold Federal income tax from these withdrawals, but you can request withholding at the time of the withdrawal. This withdrawal will be eligible for the favorable tax treatment described above, with all of the same options and restrictions. The deadline for applying for this withdrawal will be in December 2020. TSP will announce the exact cutoff date.

For additional information, visit [TSP.gov](https://www.tsp.gov).

## Dependent Care Flexible Spending Account (DCFSA) Changes

If you have experienced a Qualifying Life Event (QLE), changes to your Dependent Care Flexible Spending Account (DCFSA) are permitted outside of open season. A QLE will allow you to increase or decrease your election if:

- you experience a change in employment status for you, your spouse, or dependent; or
- there is a change in the cost or coverage of your dependent care services.

The change to your account must be consistent with the reason for the change. For example, if a dependent care provider is no longer providing care (i.e., before/after care/daycare closures, summer day camp cancellations, or care is no longer needed) your election can be reduced. Similarly, if you need supplemental child or adult care due to increased work hours, you may increase your election.

## Health Care Flexible Spending Account (HCFSA) Changes

The CARES Act brings emergency assistance and additional health care provisions to Americans affected by the 2020 pandemic. The following two provisions are of particular interest to participants in Health Care Flexible Spending Accounts (HCFSA):

- **Over-the-counter (OTC) drugs and medicines.** The CARES Act repeals the Affordable Care Act requirement that OTC drugs and medicines must be prescribed in order to be reimbursed under HCFSA. This means that these plans can now pay for or reimburse OTC drugs and medicines without a prescription from a doctor. This provision is effective for expenses incurred January 1, 2020, or after. This provision does not have an expiration date.
- **Menstrual care products.** The CARES Act also deems expenses for menstrual care (feminine hygiene) products qualified medical expenses, which can be paid by an FSA. This provision is effective for expenses incurred January 1, 2020, or after. This provision also does not have an expiration date.

If you need to submit a QLE, you may do so by logging in to your online account at [www.FSAFEDS.com](http://www.FSAFEDS.com) and clicking on the QLE Enrollment button.

FSAFEDS Benefits Counselors are available Monday through Friday from 9 am until 9 pm EST, 877-FSAFEDS (372-3337) or [www.FSAFEDS.com](http://www.FSAFEDS.com).

VALORIE FINDLATER  
Chief Human Capital Officer, Acting

---

### If you have questions about this notice, contact:

Brenda Guy, Office of Human Capital  
[brenda.guy@nara.gov](mailto:brenda.guy@nara.gov)  
National Archives at College Park  
Room 1330  
Phone: 301-837-3017

--

You received this message because you are subscribed to the Google Groups "\$Staff NARA" group. To unsubscribe from this group and stop receiving emails from it, send an email to [Staff\\_NARA+unsubscribe@nara.gov](mailto:Staff_NARA+unsubscribe@nara.gov). To view this discussion on the web visit [https://groups.google.com/a/nara.gov/d/msgid/Staff\\_NARA/CAC4KJso9w2EhbDT2d6\\_exuVA3OUPLNWokkvn%3D18J5Ttqf9EQ%40mail.gmail.com](https://groups.google.com/a/nara.gov/d/msgid/Staff_NARA/CAC4KJso9w2EhbDT2d6_exuVA3OUPLNWokkvn%3D18J5Ttqf9EQ%40mail.gmail.com).