

Understanding the Grace Period

Igoe Administrative Services

Participant Services

What is the Grace Period?

A period of time after the plan year ends where you can still incur expenses and spend down prior year funds.

The health FSA (full and limited purpose) and Dependent Care Assistance Plan can have a feature known as the Grace Period. To find out if this feature is part of your plan, please refer to your Summary Plan Description, your Plan Highlights or view your account details online.

The Grace Period is a period of time up to 2.5 (two months and 15 days) months after the plan year ends in which you can incur new expenses but pay for them

using funds remaining in your prior plan year.

For example, let's say your plan year runs from January 1 through December 31. If your plan has the Grace Period feature, you can incur new expenses through March 15 of the following year and use funds remaining in the plan year that just ended to pay for those expenses. This feature is a great way to protect you from leaving money behind.

How are Claims Paid during the Grace Period?

Manual claims and card purchases (if applicable) are paid for using your oldest eligible funds

Let's use the example listed above and assume your plan has a Grace Period that ends on March 15. If you use your Benefits Card after December 31 but prior to March 15, the card transaction will fund using monies remaining in your prior plan year if applicable. If you don't have a prior plan year balance, the transaction will fund based on your current year election. If you submit a manual reimbursement request, approved reimbursements for services and expenses incurred after December 31 and prior to March 15 will be reimbursed using your prior plan year funds if applicable. If you don't have a prior plan year balance, the transaction will fund based on your current year election.

Generally speaking, you will have additional time to send in manual claims after the Grace Period ends. This period of time is called the Plan Year Run Out Period. You can find out your Plan Year Run Out Period dates in your Summary Plan Description, via your Plan Highlights or by viewing your account details online.



Questions About the Grace Period?

Contact our Participant Services Team for personalized assistance. Representatives are available Monday through Friday from 8am until 5pm PT.

If you contact us at a time when representatives are assisting other callers, we encourage you to leave a message. We will reply to that message within the next business day, if not earlier.

Contact Information:



By Phone

Call 800-633-8818, option 1



By Email

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