



***Benefits Administration Letter***

**Number:** 13-801

**Date:** January 31, 2013

**Subject: The Federal Flexible Spending Account Program (FSAFEDS):  
2013 Administrative Fees**

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**Purpose**

To notify agencies that the Federal Flexible Spending Account Program (FSAFEDS) reserve account fee and administrative fees will change for the 2013 benefit period.

**Background**

**Administrative Fees**

Agencies pay administrative fees to ADP Benefit Services KY, Inc. (formerly known as 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**

The current DCFSA administrative fee will be reduced from \$3.25 per DCFSA per month to \$1.25 per DCFSA per month.

**Health-Care Flexible Spending Account (HCFSA) Administrative Fee**

The current HCFSA administrative fee will be reduced from \$4.35 per HCFSA per month to \$1.35 per HCFSA per month.

**Reserve Account Fee**

Agencies pay the reserve account fee to OPM on behalf of their employees enrolled in FSAFEDS. For 2013, the monthly reserve fee will be reduced from \$1.00 to \$.25 per HCFSA per month.

ADP Benefit Services KY, Inc. will send out the first of two annual invoice packages in February 2013, reflecting the above fees. Thank you in advance for your prompt payment.

Sincerely,

John O'Brien  
Director  
Health and Insurance