

**BIG WALNUT LOCAL SCHOOL DISTRICT
CAFETERIA PLAN AMENDMENT**

**ARTICLE 1
PREAMBLE**

- 1.1 Adoption of Amendment. The Employer adopts this Amendment to implement provisions of the laws and other regulations and Notices issued by the IRS or DOL which affect the Plan, including but not limited to CARES (Coronavirus Aid, Relief, and Economic Security Act), CAA (Consolidated Appropriations Act), and ARPA (American Rescue Plan Act) provisions; the provisions under IRS Notices 2020-29, 2021-15, and 2021-26; and Announcement 2021-7; and the DOL/IRS updates to the claims procedures and COBRA timelines (IRS Notice 2020-23 and EBSA Disaster Relief Notices 2020-01 and 2021-01) regarding Internal Revenue Code (“Code”) Section 125 (collectively referred to as “Applicable Law”).
- 1.2 Superseding of inconsistent provisions. This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment. This Amendment is effective for Plan Years 2020 and 2021.
- 1.3 Construction. Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment and does not relate to the Plan article, section, or other numbering designations.

**ARTICLE 2
IDENTIFYING INFORMATION; EMPLOYER ELECTIONS**

2.1 **Identifying information.**

A. Name of Employer: **Big Walnut Local School District**

B. Name of Plan: **Big Walnut Local School District Cafeteria Plan**

- 2.2 **Medical Expenses.** The Plan will reimburse, in addition to existing provisions, any over-the-counter medications, menstrual products, telehealth and PPE (Personal Protective Equipment), as described in Article 3; provided, however, that to the extent changes in Applicable Law subsequent to the Effective Date of this Amendment result in a Medical Expense described under Article 3 being not reimbursable, the definitions set forth in Article 3 shall be considered modified consistent with the changes in Applicable Law.

Medical Expenses described in Article 3 must be incurred on or after **January 1, 2020**.

- 2.3 **Carryover.** The Plan adopts the carryover provisions as permitted under Applicable Law for the carryover of unused benefits, contributions or amounts to be used in the health and dependent care flexible spending accounts as follows:

A. For the Health FSA for:

- (1) Plan Year ending in 2020, a Participant may carry over into the immediately following Plan Year (Plan Year 2021) the full amount of the unused balance remaining on December 31, 2020.
- (2) Plan Year ending in 2021, a Participant may carry over into the immediately following Plan Year (Plan Year 2022) the full amount of the unused balance remaining on December 31, 2021.

B. For the Dependent Care FSA for:

- (1) Plan Year ending in 2020, a Participant may carry over into the immediately following Plan Year (Plan Year 2021) the full amount of the unused balance remaining on December 31, 2020.
- (2) Plan Year ending in 2021, a Participant may carry over into the immediately following Plan Year (Plan Year 2022) the full amount of the unused balance remaining on December 31, 2021.

2.4 **Effective Date.** This Amendment is effective as of January 1, 2020.

**ARTICLE 3
MEDICAL EXPENSES REIMBURSED**

3.1 **Application.** The Plan's definition of "Medical Expenses" under the Plan is amended by the addition of the following provisions, as modified by Applicable Law.

- A. **Over-the-Counter Medications.** Notwithstanding anything in the Plan to the contrary, a Participant may be reimbursed for the cost of any medicine or drug for medical care, within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, determined without regard to whether medicines or drugs have been prescribed. Insulin remains a covered expense. The intention of this provision is to permit coverage for over-the-counter medications.
- B. **Menstrual Products.** A Participant may be reimbursed for the purchase of menstrual care products as defined in Code Section 223(d)(2)(D) and as authorized in Code Section 106(f).
- C. **Telehealth.** A Participant may be reimbursed for expenses related to telehealth and other remote care as defined in the CARES Act and further guidance. Such coverage will not disqualify an HSA-eligible High Deductible Health Plan if made for services provided on or after January 1, 2020, with respect to Plan Years beginning on or before December 31, 2021 or, and with respect to such additional Plan Years as may become permissible under applicable law and/or IRS guidance.
- D. **PPE (Personal Protective Equipment).** A Participant may be reimbursed for purchase of personal protective equipment, such as masks, hand sanitizer, sanitizing wipes, and any other equipment for the primary purpose of preventing the spread of COVID-19 as defined in Announcement 2021-7 and allowed under Code Section 213(d).

**ARTICLE 4
FLEXIBLE SPENDING ACCOUNT CARRYOVER**

4.1 **Application.** This Amendment is effective for the 2020 and 2021 Plan Years only. For the 2020 and 2021 Plan Years, a Participant in the Health or Dependent Care Flexible Spending Accounts may carry over all unused amounts remaining at the end of each Plan Year to the immediately following Plan Year (ending in 2022 for 2021 amounts). Beginning with Plan Year 2022 and beyond, the carryover limits set forth in the latest version of the Big Walnut Cafeteria Plan Document shall apply, without reference to the changes made in this Amendment. Unless a Health Flexible Spending Account (FSA) is a limited purpose flexible spending account, a Participant will not be permitted to contribute to a Health Savings Account (HSA) during the carryover period. A Participant may change from a general-purpose health FSA to a limited purpose FSA to be covered by an HSA. A Participant may also change from a limited purpose FSA to a general-purpose health FSA. If a Participant changes to a different type of FSA, only Medical Expenses incurred after the date of the change and permitted under the specific type of FSA can be reimbursed under the applicable FSA.

This Amendment has been executed this _____ day of _____, 2021.

Name of Plan: **Big Walnut Local School District Cafeteria Plan**

Name of Employer: **Big Walnut Local School District**

By: _____
EMPLOYER