

HEALTHCARE POLICY & BENEFIT SERVICES DIVISION

October 13, 2009

TO THE HEADS OF ALL STATE AGENCIES

ATTENTION: Personnel and Payroll Officers

SUBJECT: Dependent Care Assistance Program Annual Open Enrollment

I. INTRODUCTION

The purpose of this memorandum is to (1) advise of the annual open enrollment for the Dependent Care Assistance Program (DCAP) and (2) restate the DCAP payroll, enrollment, and election change processing procedures.

II. ANNUAL OPEN ENROLLMENT

The open enrollment period for the 2010 DCAP Plan Year is scheduled for November 1, 2009 through November 30, 2009.

For the 2010 Plan Year we will not conduct agency statewide informational sessions. In that connection, we are asking agencies to display the attached DCAP flyer on your agency bulletin board. Additionally, the Office of the State Comptroller (OSC) will insert a DCAP open enrollment announcement in employee paychecks dated October 23, 2009. These announcements are the only statewide communications issued to employees regarding the 2010 Plan Year enrollment.

Employees interested in participating in the program are responsible for obtaining the necessary enrollment applications and meeting all associated deadlines. Applications are available by download via the OSC web site: www.osc.state.ct.us/empret/dcapprog/index.html, or by contacting the program's administrative services provider, Progressive Benefit Solutions (PBS) at 1-866-906-8023 or by visiting their web site at: www.ctpbs.com. Employees who fail to return the application before the deadline, will be denied participation in the program; no late applications will be accepted; no exceptions will be made.

III. PROCESSING PROCEDURES

A. Enrollment Procedures:

PBS is responsible for the enrollment of eligible employees who wish to participate in DCAP. Employees are entitled to enroll in DCAP during one of the following periods:

1. The annual open enrollment period;
2. Within thirty-one days of the hire date; and

3. Within thirty-one days of a change in family status which makes the employee eligible to participate.

B. Payroll Procedures:

Payroll processing of DCAP applications will be performed by PBS. For payroll purposes, agencies are not responsible for processing DCAP enrollment applications.

C. Election Changes:

Once enrolled, changes in elections are allowed only under the following circumstances:

1. Participant terminates employment;
2. Participant experiences a family status change, such as marriage, divorce, death of a spouse or dependent, birth or adoption of a child, changes in spouse's employment status.

Participating employees who wish to make an election change, or terminating employees must complete the DCAP Benefit Enrollment/Change Form with PBS within thirty-one days of the change in status.

Employees who are out on any leave of absence including worker's compensation, do not need to enroll during the annual open enrollment period. Upon return to work, employees have 31 days to enroll in DCAP.

Employees may obtain enrollment/change forms and claim forms by download via the OSC web site: www.osc.state.ct.us/empret/dcapprog/index.html, the PBS web site: www.ctpbs.com or by contacting PBS toll free at 1-866-906-8023.

IV. CONCLUSION

Your anticipated assistance in making the program accessible to your agency's employees is appreciated. The DCAP not only assists employees in managing their dependent care expenses while reducing their taxable income, it saves the State money as well.

Questions concerning the DCAP open enrollment period may be directed to PBS at the above listed number. Questions pertaining to this memorandum may be directed to the Healthcare Policy & Benefit Services Division, Employee Benefits Unit at (860) 702-3543.

Very truly yours,

NANCY WYMAN, STATE COMPTROLLER

By:

Thomas C. Woodruff, Ph.D., Director

Dependent Care Assistance Program (DCAP)

THE COST OF DAY CARE CONTINUES TO SKYROCKET!! DCAP CAN HELP.

The open enrollment period for the 2010 plan year is from November 1, 2009 through November 30, 2009.

The Dependent Care/Day Care Assistance Program (DCAP) provides a tax-free way for you to pay for dependent care expenses, allowing you to save money on the cost of these services. The State of Connecticut recognizes that it has become increasingly difficult to pay for these expenses while you are employed. It is for this reason that the Office of the State Comptroller, under the provisions of C.G.S. Section 5-264(b), makes available to you a benefit program that offers significant tax advantages in helping you pay for dependent care expenses.

HOW DOES IT WORK?

Each dollar you put into the DCAP is a dollar not taxed. If, for example, you pay approximately 30% of your income in federal, state and social security taxes, by using the DCAP you would save 30% on the dependent care expenses you pay. You may contribute up to \$5,000 of your salary to your DCAP (\$2,500 if you are married and filing separately). Remember, if you are married, your spouse must also work, be a full-time student, or be disabled.

Whom can I include in my DCAP?

- ⇒ Children under the age of 13, whom you are entitled to claim as dependents on your federal income tax return; and/or
- ⇒ A disabled spouse or other disabled dependent who spends at least eight hours a day in your home.

What services are included?

- ⇒ Care at licensed nursery schools, day camps (not overnight camps) and child care centers which provide day care.
- ⇒ Services from individuals - other than your or your spouse's dependent or children under age 19 who provide care in or outside your home.

Contact Progressive Benefit Solutions (PBS), Third Party Administrator for the State of Connecticut DCAP program, at 1-866-906-8023 for information regarding DCAP benefits and the enrollment process.

Remember, even if you are currently participating in the DCAP program, you must complete a new election form for the 2010 Plan Year. Enrollment forms may be downloaded from the OSC web site: www.osc.state.ct.us, the PBS web site: www.ctpbs.com or by contacting PBS at 1-866-906-8023. Enrollment forms must be postmarked by November 30, 2009. The plan cannot accept late enrollments for any reason.

Dear State Employee:

I encourage you to give careful consideration to this attractive employee benefit as a way to assist in managing your dependent day care expenses while at the same time reducing the amount you pay in taxes each year.

Sincerely,

Nancy Wyman
State Comptroller

