

**County of Santa Clara
Dependent Care Assistance Program (DCAP)
2022 Program Year**

NOTE: the 2022 DCAP Plan Year will be administered by a new provider, P & A Group, resulting in lower administrative fees for employees.



The DCAP program allows you to set up a special account for paying dependent care services, which are necessary for you to work, with tax-free dollars. It's a smart and convenient way to save on these expenses. Through the program, you may reimburse yourself expenses related to:

- The care for your dependent children under age 13.
- The care for another dependent who is physically or mentally incapable of caring for him/herself; this includes elder day care.

You may contribute up to \$5,000 per year to your account (\$2,500 if you are married and filing separately). This limit is set by the IRS. Also note, if you participate in this program, you may not claim a Federal Income Tax Child Care Expense Credit on your tax return.

Your DCAP account works much like the [Health Flexible Spending Account \(HFSA\)](#), as follows:

- The plan runs on a calendar year basis - so you may reimburse yourself for expenses incurred between January 1 and December 31.
- The plan also includes a "grace period" of 2.5 months following the end of the calendar year. If you have funds left over, you may continue to incur expenses from January 1 through March 15 of the following calendar year and submit claims for reimbursement of those expenses.
- The DCAP is administered by P&A Group, which charges a \$.85 after-tax service charge per pay period fee for your account. (Note, you are not "double charged" this fee if you enroll in the HFSA as well.) You can set up an online account and submit claims online or through your mobile phone. Reimbursement payments are made via a check or direct deposit to your bank account.
- Finally, with the DCAP, an IRS "use it or lose it" rule applies. Be sure to estimate the amount you want to contribute with care. If you have money remaining in your account at the end of the plan year's grace period, you forfeit those funds.

Making Your DCAP Contribution Election

- If you wish to participate in the DCAP, the IRS requires you to enroll and elect your contribution amount each year.
- As noted previously, the program runs on a calendar year basis, from January 1 through December 31. Thus, during the fall of each year, you'll have an opportunity to enroll during the annual enrollment period for Flexible Spending Accounts (typically in November). Your annual election is deducted from your paycheck in equal increments.

- As a new hire, you may elect to participate in this program within 30 days of your date of hire.
- You cannot change your annual election amount during the year unless you have a qualifying event, such as:
 - The birth of a child, death, marriage, or divorce
 - You have a change in employment status
 - You move
 - There is a change in the cost of your provider's services
 - When your child turns age 13
 - Your qualifying relative regains his/her ability for self-care

If you have a qualifying event, you may change your DCAP election within 30 days of the event. Otherwise, you must wait until the program's next enrollment period to make a change.

Contact P&A Group at 716-852-2611 or go to www.padmin.com to learn more about this program and **register for enrollment**. Find additional P&A Group details for County of Santa Clara employees [here](#).