



COUNTY OF SONOMA-Central Payroll Division

**AUDITOR-CONTROLLER**  
**Assistant Auditor-Controller**

**Rodney A. Dole**  
**Donna M. Dunk**

575 Administration Dr., Room 117A  
Santa Rosa, California 95403  
(707) 565-6024 FAX (707) 565-4694

To: Terminating County Employees who participate in a STEP Program  
Health Care Reimbursement Account Program (HCAP)  
Dependent Care Assistance Plan (DCAP)

From: Auditor-Central Payroll Division

Subject: How Termination Affects Your Participation in the STEP Programs

**Dependent Care Assistance Plan (DCAP)**

When you terminate your employment, you may continue to submit claims for eligible day care costs incurred during the remainder of the Plan Year. You may submit these current Plan Year claims through March 31 of the following Plan Year. However, remember that claims may only be submitted for day care costs incurred because you are employed in a new job or seeking employment. The IRS does not allow daycare costs that are not work-related.

**Health Care Reimbursement Account Program (HCAP)**

When you terminate your employment, your deduction will continue to be withheld from all checks with pay status hours unless you complete a change of status form to immediately stop the deduction. You may continue to submit claims for eligible expenses incurred prior to the date of your first check without a contribution. However, you may **not** use the funds remaining in your account for eligible expenses incurred after your termination of coverage date (first pay date without a contribution) unless you continue contributing to your HCAP account with after-tax dollars for the remainder of the Plan Year (COBRA). If you wish to continue your participation in the HCAP program under COBRA, you should contact the Auditor Central Payroll Division, 565-6024 to arrange your biweekly payments and obtain payment deadline information.

These programs are only available to active employees and are not available to retirees except during the year of retirement as stated above.

Please call if you have any questions about this information.