

Benefits Weekly Digest

March 31, 2020

COVID-19 Guidance and Legislation for Employer-Sponsored Group Health Plans

“The CARES Act specifically addresses items relating to testing, vaccines, health savings account (HSA) issues, and HIPAA protected health information. The Act repeals the requirement that over-the-counter medical and health items must be prescribed by a physician to be reimbursable under a health plan. This provision applies to both health flexible spending accounts (FSAs) and HSAs.” [Full Article](#)

Eversheds Sutherland



Paying Health Insurance Premiums for Furloughed or Laid Off Employees

“Nothing prevents an employer from paying monthly premiums on behalf of furloughed and laid off employees in order to keep coverage in force under a fully insured group health plan. An employer can choose to pay monthly premiums for one group but not the other. The same general rules apply to the payment of monthly premiums for furloughed and/or laid off employees covered by a self-insured group health plan, with two caveats. There are COBRA implications to consider when an employer seeks to continue group health plan coverage for furloughed or laid off employees by paying the monthly premiums.” [Full Article](#)

Verrill Dana LLP

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New Jersey Extends Deadline for Health Coverage Filings

"The deadline for applicable coverage providers to file Forms 1095 with the New Jersey Division of Taxation [has been extended] from March 31, 2020, to May 15, 2020. This filing requirement applies to in-state and out-of-state coverage providers that provided minimum essential health coverage to part-year or full-year residents of New Jersey in 2019, including insurers, employers, governmental agencies, and multiemployer plans." [Full Article](#)

Ballard Spahr



LLP Employer Group Health Plan Mandate Related to No-Cost COVID-19 Testing and New Paid and FMLA Leave

"Employers with self-insured group health plans should formally amend their group health plans to provide the required coverage, confirm that the plan's third party administrator will administer the plan accordingly and confirm that the stop-loss carrier will include the plan's COVID-19 testing costs as covered claims under the stop-loss policy. The new triggering event for FMLA leave is subject to Section 104(c) of the FMLA, which requires that group health plan coverage continue during these leaves of absence, subject to the employee's payment of the employee's share of the premium." [Full Article](#)

Fox Rothschild LLP

Student Loan Relief Incentive Provided by CARES Act

"Employers can now provide a student loan repayment benefit of \$5,250 to employees tax-free for 2020 through an education assistance program. The relief is limited and for many employers it may not be feasible to incur additional benefit costs this year. Not only is this new benefit temporary, but to offer this benefit, the employer must have a formal education assistance program." [Full Article](#)

Graydon



Planning and Implementing a Temporary Layoff in the Age of COVID-19

"Employers may want to keep employees who are placed on unpaid leave or who have a reduction in hours on the group health plan as active employees, and the employer should consider whether to subsidize the coverage. Some insurers and stop-loss providers are not allowing employees on unpaid leaves to stay on the group health plan, because they are not 'actively employed.' Accordingly, some employers have temporarily laid off employees (i.e., terminated the employees) to avoid potential penalties under the ACA." [Full Article](#)

The Wagner Law Group