



Bolton Alert

CORONAVIRUS (COVID-19) UPDATE

March 2020

The CORONAVIRUS (COVID-19) pandemic has been evolving quickly and new circumstances and information are unfolding each day. As always, Bolton is committed to serving our clients and keeping you informed of the ever-changing actions necessary to prepare your business for COVID-19 related benefit needs. A summary of the enacted legislation and resulting employer impact is outlined below.

Families First Coronavirus Response Act (H.R. 6201)

The Families First Coronavirus Response Act (FFCRA) was signed into law on March 18th, effective immediately.

Emergency Paid Sick Leave (applies to employers with fewer than 500 employees)

- Full-time employee can use up to 80 hours of partially paid sick leave for government workers and employees of companies with fewer than 500 employees.
- This leave may extend to employees who are or may be infected with COVID-19, those caring for a family member with COVID-19, and employees who have a minor child who's childcare or school has been cancelled due to the virus.
- Special rules also apply for part-time employees.

Family Medical Leave Act Expansion

- Companies with fewer than 500 employees are required to provide up to 12 weeks of job-protected leave, ten weeks of which would be paid.
- This leave would be available to an employee who is unable to work or telework due to childcare or school closures related to the coronavirus.

COVID-19 Testing

- Requires group health plans and health insurance issuers to cover COVID-19 testing without imposing any cost sharing (such as deductibles, copayments or coinsurance) or prior authorization or other medical management requirements.
- This mandate applies to fully insured group health plans and self-insured group health plans, regardless of size.
- HDHPs can provide first dollar coverage for COVID-19 testing and remain HSA-compatible.
- Coverage for this testing includes any items or services provided during a visit to a provider, urgent care center or emergency room.

This coverage mandate does NOT require health plans to cover COVID-19 treatment at no charge. Exact coverage details for COVID-19 treatment, including member cost-sharing, will vary by plan.

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Tax Credits for Employers

- A refundable tax credit will be available for employers that comply with these new required paid sick leave, paid family and medical leave and certain health plan expenses.

More details can be found in this [Benefits Blueprint summary](#):

Medical Plan Changes

Some carriers are implementing additional plan changes to minimize the impact of out of pocket costs on plan members for fully insured plans (self-insured plans may opt in or out of these plan changes) for a certain period of time.

- Eliminate prior authorization requirements for diagnostic tests and covered services that are medically necessary and consistent with CDC guidance for members diagnosed with COVID-19.
- Waive customer cost-sharing for office visits, telehealth and treatment related to COVID-19 testing for a distinct period of time.
- Make it easier for customers to be treated virtually for routine medical examinations by in-network physicians.
- Early medication refill limits may be eliminated on 30-day maintenance medications
- Provide free home delivery of up to 90-day supplies for Rx maintenance medications and 24/7 access to pharmacists
- Formulary flexibility - members may not be liable for additional charges that stem from obtaining a non-preferred medication if the preferred medication is not available due to shortage or access issues.
- Offer supportive resources for customers, clients and communities for managing anxiety and improving resiliency
- IRS Notice 2020-15 allows high-deductible health plans (HDHPs) to maintain compliant status as an HSA HDHP while covering the costs of tests and treatments for COVID-19 prior to plan deductibles being met.

Due to the rapidly evolving nature of the coronavirus public health event, the cost impact for a self-insured employer to fully cover these services are uncertain. Most cases will not require significant intervention; however, some will need intensive treatment.

Special Enrollment Period for Maryland Residents

To prioritize health and safety and in response to COVID-19, Maryland Health Connection opened an emergency special enrollment period for uninsured Marylanders. Beginning March 16 through April 15, individuals can now enroll in a health plan. **Coverage will begin April 1, 2020, regardless of when a health plan is selected during this special enrollment period.** Medicaid enrollment is available all year.

Other Helpful Links

CDC FAQ's on Coronavirus: <https://www.cdc.gov/coronavirus/2019-ncov/faq.html>

World Health Organization: <https://www.who.int/health-topics/coronavirus>

If you would like more information about how COVID-19 may impact you or your employees, please reach out to a Bolton consultant. We are open for business and are ready to support you during this time of uncertainty. Bolton will continue to closely monitor the benefit-related issues and provide additional updates as necessary.

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Please Note: The information contained in this letter is not legal advice and should not be relied upon or construed as legal advice. This letter is for general informational purposes only and does not purport to be complete or cover every situation. Please consult your own legal advisors to determine how these laws affect you.