



## Families First Coronavirus Response Act (FFCRA)

The U.S. Department of Labor (DOL) continues to issue guidance on the FFCRA, including the Emergency Paid Sick Leave Act and the Emergency Family and Medical Leave Expansion Act. Find complete information for employers on the DOL [Questions and Answers](#) web page.

## CARES Act FAQs

The Coronavirus Aid, Relief and Economic Security Act ([CARES Act](#)) contains key provisions that affect health savings accounts (HSAs) and health flexible spending arrangements (FSAs). Until further information is provided, Chard Snyder offers the following guidance.

### [How The Federal CARES Act Impacts Your Health FSA/HSA](#) *(Share this PDF flyer with employees who participate in these plans)*

### **Are over-the-counter (OTC) drugs & medicines now eligible expenses through a Health FSA or HSA without a prescription?**

The CARES Act permanently reinstated coverage of OTC drugs and medicines as eligible for reimbursement from Health FSAs and HSAs without the need for a prescription. Menstrual care products may also be purchased or reimbursed through these plans now. This provision reverses laws put in place as part of the Affordable Care Act, which stated that over-the-counter products were only eligible for reimbursement with a prescription.

### **When can plan participants begin using their FSA or HSA funds to purchase OTC drugs & medicines & menstrual products?**

CARES Act changes are retroactive to January 1, 2020 with no expiration date. However, full implementation requires SIGIS (Special Interest Group for IAS Standards) and merchants to take action. The key will be the availability of an updated list of eligible products from SIGIS and the implementation of that list by participating merchants. **Our benefit card provider anticipates this will occur gradually within the next few months.**

SIGIS is currently working to identify changes to the eligibility criteria and eligible product list. They are including more than 19,000 OTC drugs and medicines in their database and doing a full review on nearly a 1,000 items in feminine care categories. **Their goal is to complete the review and publish a new eligible product list by April 15, 2020.** SIGIS expects additional changes in the following months as merchants and manufacturers submit items not currently in the SIGIS database for eligibility review.

Once merchants download the new eligible product list and process those changes into their point of sale systems, plan participants will be able to use their Chard Snyder Benefit Card to

purchase these products. **Each merchant will adhere to their own timeline for completion of this process based on their own internal considerations**, and card processors have no ability to influence this. It will take some time for all the products to be identified and updated in every merchant's system.

As a result, plan participant experience may be inconsistent across locations, items, and products in the near future. **Plan participants can submit claims in their online portal or via the Chard Snyder mobile app to get reimbursed until the technology is available for the Chard Snyder Benefit Card to be consistently used for these purchases.** The Chard Snyder mobile app also has an eligible expense scanner which plan participants can use to verify that a product is eligible.

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### **How does the CARES Act change to reimbursement for over-the-counter items affect benefit plan documents?**

Since the Affordable Care Act OTC reimbursement prohibition eliminated by the CARES Act is usually contained in the Summary Plan Document (SPD), the SPD must be updated. This change may also alter the contents of the Summary of Benefits and Coverage (SBC), in which case the SBC must also be updated. Most plan documents refer to the provisions in the IRS Code and do not go into the details of prohibiting reimbursement of non-prescribed OTC drugs. However, if the plan document specifically addresses this, the plan document also must be amended. **Look for communication from Chard Snyder soon regarding amending Savings & Spending Account plan documents.**

#### *Chard Snyder provides*

Savings & Spending Accounts - FSA, HSA, HRA, Commuter Benefits  
Benefit Continuation Services - COBRA; Retiree, Direct & Other Billing  
Plan Document Services - Wrap, POP, Plan-Specific Documents & Testing  
FMLA Leave Administration - End-to-end process management