

The Medical Mutual Employee Care Card

Financial Assistance Debit Card

The coronavirus disease known as COVID-19 is putting tremendous pressures on people, families, businesses and the economy. The Medical Mutual Employee Care Card helps employers provide tax-advantaged financial assistance to participants when they need it most.

Background

IRS Section 139 has been activated as a result of the ongoing federal disaster declaration. It allows employers to offer tax-free funds to those in need (most commonly employees) for qualified disaster-relief payments, if expenses are for reasonable and necessary personal and family living expenses incurred as a result of COVID-19. To help our employer partners, Medical Mutual is making available an Employee Care Card that provides tax-advantaged funds to participants in the form of a convenient debit card.

Eligible categories – Here are just a few examples of ways the funds can be used

- **Grocery** – stock up on necessities to stay at home (including toilet paper!)
- **General Retail and Office Supplies** – enhance work-from-home environment for optimal productivity
- **Education and Child Care** – provide enriching activities to children
- **Healthcare** – supplement healthcare savings with additional dollars
- **Utilities** – help to keep the heat and lights on

Employer benefits

- **Tax-advantaged.** Disaster relief payments are tax-free to employees and fully deductible to the employer as a compensation expense.
- **Funding flexibility.** The employer can fund participant accounts with contribution amounts of \$250 or more (required to not exceed a reasonable amount).
- **Preserve unused funds.** Any dollars not spent after 90 days can be returned to the employer.
- **Efficient purchase support.** Eligible purchases don't require reimbursement or substantiation and the funds are available right away.

Participant benefits

- **Financial assistance.** This card provides peace of mind and helps provide dollars to ensure everyone's most basic needs are met.
- **Tax-advantaged spending.** With the Medical Mutual Employee Care Card, the money is tax free to the participant.
- **Convenience.** The card is activated upon first use and can be used anywhere Mastercard is accepted.