

HDHPS/HSAS AND EXPENSES RELATED TO CORONAVIRUS

In response to growing concerns about the 2019 Novel Coronavirus (COVID-19) and the associated expenses, the Internal Revenue Service (IRS) has announced in [Notice 2020-15](#) that high deductible health plans (HDHPs) can pay for COVID-19-related testing and treatment, without jeopardizing their status. This also means that an individual with an HDHP that covers these costs may continue to contribute to a health savings account (HSA).

This Notice provides that all medical care services received and items purchased associated with testing for and treatment of COVID-19 that are provided by a health plan without a deductible, or with a deductible below the minimum annual deductible otherwise required for an HDHP, will be disregarded for purposes of determining the status of the plan as an HDHP. Therefore, the Notice provides flexibility to HDHPs, allowing them to cover the COVID-19 test, administration of the test and related office visit for free or at reduced cost without application of a deductible or cost-sharing. Employers also will be able to make medical tests available for free to workers in HDHP plans linked to an HSA.

Employers offering HDHPs or any other type of health plan should consult their particular health plan regarding the health benefits for testing and treatment of COVID-19 provided by the plan, including the potential application of any deductible or cost-sharing. If you choose to amend your plan to waive or reduce member cost-sharing for the COVID-19 test or treatment, please contact your Conner Strong & Buckelew account representative toll-free at 1-877-861-3220. They will work with the carrier to implement the change.

For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online [Resource Center](#).

Questions

Questions with the above; please contact your Conner Strong & Buckelew account representative.