



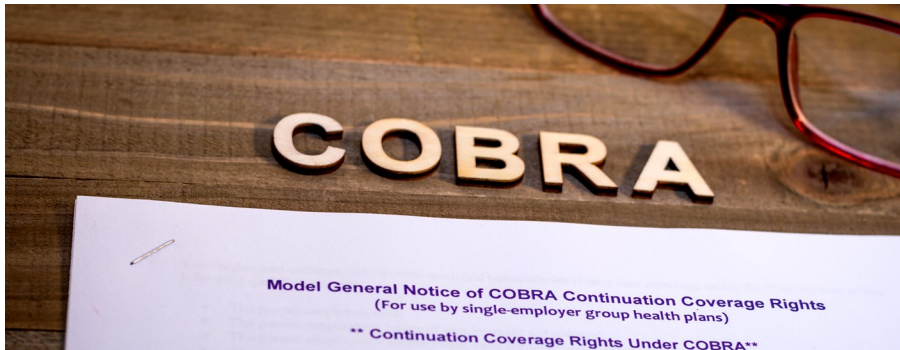
# Benefits WEEKLY DIGEST

May 13, 2020

## Federal Agencies Extend Deadlines for COBRA and Health Plan Claims, Appeals, and Special Enrollments

"Plans should consider some type of notification to COBRA participants of the consequence of not paying the full COBRA premium at the end of the Outbreak Period (i.e., the plan will not cover claims from any month for which the premiums are not paid in full at the end of the Outbreak Period). It is important that COBRA participants understand this consequence, as failure to pay premiums could leave some claims unpaid for reimbursement to medical providers, who may look to recoup the costs from the patient." [Full Article](#)

*The Wagner Law Group*



## DOL Release New Model COBRA Notices Amid Wave of Litigation

"The new general notice and election notice are nearly identical to their prior versions, with the exception of new sections explaining how Medicare eligibility affects COBRA participants. In particular, the new language outlines the Medicare election obligations and how these rules impact Medicare-eligible employees who have just lost their employer-sponsored active employee coverage. The new language also highlights that COBRA coverage usually pays secondary to Medicare." [Full Article](#)

*Littler*

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## IRS Reverses Course on the Application of Qualified Healthcare Expenses to the Employee Retention Tax Credit

“Q&As [#64](#) and [#65](#) now state that employers can claim the ERTC for qualified healthcare expenses, regardless of whether the employee is paid qualified wages. The revised Q&As clarify this new interpretation with five examples-- in each example, qualified healthcare expenses paid to furloughed employees are considered qualified wages for purposes of the ERTC” [Full Article](#)

*Squire Patton Boggs*



### IRS Provides Additional Time to Contribute to HSAs

“Contributions to HSAs may be made up until July 15, 2020. Additionally, if excess contributions had been made in 2019 and were treated as being taxable, individuals can avoid the 6% excise tax if the excess amount (plus income on that amount) is withdrawn by July 15, 2020. This does not apply to contributions that were made via salary reduction or if deductions were taken on the excess amounts.” [Full Article](#)

*Fraser Trebilcock*

### Text of HHS Fact Sheet on 2021 Notice of Benefit and Payment Parameters Final Rule

“Overall, the final rule minimizes the number of significant regulatory changes to provide states and issuers with a more stable and predictable regulatory framework that facilitates a more efficient and competitive market. These changes further the Administration’s goals of lowering premiums, promoting program integrity, stabilizing markets, enhancing the consumer experience, and reducing regulatory burden.” [Full Article](#)

*Centers for Medicare & Medicaid Services, U.S. Department of Health and Human Services*



## Educational Assistance Programs Allow Employers to Pay Their Employees’ Student Loans with Pre-Tax Dollars

“Not all student loan payments qualify. The statute requires that the payments must be made by the employer on or after the date of enactment (March 27, 2020) and before January 1, 2021. The loan with respect to which the payments are made must have been incurred by the employee for the employee's education. Loans taken out by a parent of the employee will not qualify.” [Full Article](#)

*Boutwell Fay LLP*