The COVID-19 Crisis and Its Impact on Your Benefits

The COVID-19 crisis has impacted some of the provisions related to employee benefit plans and how and when you can access your retirement funds as well as how you manage your healthcare coverage and spending.

The Coronavirus Aid, Relief and Economic Security (CARES) Act permits plan sponsors to allow special loans and distributions to employees who have been impacted by COVID-19. More recently, the Internal Revenue Service (IRS) announced that employers could allow employees to make mid-year changes to certain benefits like healthcare coverage and flexible spending accounts (FSAs). The IRS is also allowing an extension of FSA grace periods and run-out periods to allow employees additional time to use their leftover balances and to submit claims for reimbursement.

While these changes were not mandatory, upon review, Einstein is permitting these changes, some of which were announced in an email sent from HR Benefits on June 11, 2020. If you have a healthcare FSA with Wageworks, you may have received an email about the new rules about reimbursements for over the counter (OTC) items. In case you missed any of these announcements, we have included a recap of these changes below.

**CARES Act Loans and Distributions Options from your Einstein 403b Retirement Plan**

**Mid-Year Changes to Your Health Plan and FSA**

If you have been impacted by the COVID-19 crisis, Einstein is permitting mid-year changes to your benefit elections. You have until **September 30, 2020** to make certain changes to your health coverage and FSA. *All plan changes and appropriate changes in contributions will be effective on the first of the month following the date you make the change.*

**Changes to Your Healthcare and or Dependent Care FSA**

- *Healthcare FSA:* You may have seen an increase or decrease in medical expenses due to unanticipated changes in the need for or availability of medical care and, therefore, may wish to establish an account, or to increase or decrease the amount you contribute to your Healthcare FSA.
- *Dependent Care FSA:* You may have an increase or decrease in the need for dependent care assistance due to the unanticipated closure of schools and child care providers and changes to work location or work schedule, and therefore may wish to establish an account, or to increase or decrease the amount you contribute to your Dependent Care FSA.
2019 Healthcare FSA Grace Period Extended to December 31, 2020

If you have a remaining balance in your 2019 Healthcare FSA, you may submit eligible expenses that you have incurred for reimbursement through December 31, 2020. (Previously the deadline was March 15, 2020.) Expenses incurred during this extended grace period will first be reimbursed from remaining 2019 funds before spending down 2020 FSA contributions.

Please Be Aware:

- You cannot stop or reduce your contributions below the amount that has already been reimbursed to you during the plan year or the amount you have already contributed – whichever is greater.
- If you stop your contributions, you may only submit eligible expenses for reimbursement that reflect dates of service incurred before the date you stop your contributions. Expenses incurred after the date you stop your contributions are not eligible for reimbursement.
- Any unused amounts left in your Healthcare or Dependent Care FSA account at the end of the plan year/grace period are forfeited.
- This extended grace period is mandatory for all participants, which could render you ineligible to open or contribute to a Health Spending Account (HSA) if you are covered under someone else’s HDHP.

Over-the-Counter Reimbursements from Healthcare FSAs

The CARES Act allows reimbursement for over-the-counter (OTC) drugs and medicines along with menstrual care products purchased on or after January 1, 2020 from a healthcare FSA without need of a prescription (Rx).

COVID-19-related items like thermometers and pulse oximeters are also eligible, plus many more items. You can review all the OTC that are available for reimbursement by going to the FSA Store.

Changes to Your Health Insurance Coverage

If you are enrolled in an Einstein-sponsored health plan, you may make the following changes on a prospective basis:

- If you previously waived medical/prescription drug, dental, or vision coverage, you may enroll in these coverages.
- If you are enrolled in a medical/prescription drug, dental, or vision plan, you may:
  - Change your plan
  - Change your coverage tier (single/family)
  - Cancel your coverage, provided that you attest in writing that you are enrolled or will immediately enroll in other health coverage not provided by Einstein.
Coming Soon

The run-out period for both the healthcare and dependent care FSA will be extended from April 30, 2020 to December 31, 2020. You will be notified in the near future when the Wageworks system has been updated to accommodate this new deadline.