



Plan and Administrative Changes as a result of COVID-19

As offices close, employers reduce hours, and the world around us continues to change, we're altering our regular processes to make life a little easier for your employees in this time of need.

- **We've extended the window to submit substantiation from 90 days to 180 days.** Employees will still receive requests for substantiation, but they will have more time to submit their documentation before the card is suspended. The IRS has not changed the substantiation requirements, so we must still substantiate any transactions we cannot deem eligible through our auto-substantiation processes. All employees will receive a notification about this shortly.
- **Consider extending your plan's runout period by 90 days.** The runout period is the amount of time following the end of the plan year during which participants can submit claims incurred in the prior year. By default, that period is 90 days, but it can be extended. If your plan runs on a calendar year, and you have the default runout period elected, it will be ending next week. You can extend your runout period by [emailing Admin Support](#) and asking for them to extend your runout period. If you choose to do so, please [download the attached](#), modify it for your plan, and keep it with your plan document.
- **Late last week the CARES Act became law.** Some of the biggest changes are:
 - Over-The-Counter (OTC) drugs will now be allowed without a prescription for FSA/HSA and can be allowed under an HRA.
 - Retroactive to January 1st,

- It will take retailers time to update their credit card machines to begin processing OTC drugs via our restricted debit cards. This may mean that some participants have OTC transactions approved while others have them denied. We can process these transactions manually wherever appropriate.
- Health plans must cover testing for COVID-19 at no cost to the covered individual.
- First-dollar telemedicine will not disqualify an individual from contributing to an HSA through 12/31/2020
- Employers may cover up to \$5,250 in employee's student loan costs tax-free to the employee and deductible to the employer under Section 127
- Employers may provide tax-free cash assistance to the employee for expenses attributable to the COVID-19 Disaster for expenses. These funds are deductible to the employer.

As a reminder from our earlier email on Dependent Care and Commuter Benefits:

- **Commuter Benefits (Parking and Transit) can only be used to commute to and from work.** If you've closed your offices, and have employees working from home, they will not be able to expense commuting and parking expenses for that period. Employers have options, including:
 - Have employees adjust their contributions for the time being. The Commuter Benefits Change Form is [attached here](#).
- **Dependent Care expenses have likely changed as a result of COVID-19.** If a child is at home now that would have been at a daycare, before-care or after-care program, or other programs, that could constitute a change in the cost of care. The IRS allows employees enrolled in a Dependent Care Assistance Program to adjust their elections prospectively when there is a change in the cost of care. Employers should:
 - Have their employees adjust their contributions if necessary. The dependent care change form is [attached here](#).
- **If you've ceased operations entirely**, we can help you by:
 - Suspending all contributions at the plan level
 - Suspending all card swipes at the plan level

Please reach out to us at adminsupport@gente.solutions if you'd like to discuss or implement any plan changes as a result of COVID-19 and we will consult with you on your specific circumstances.

For more information and updates, follow our blog by clicking [here](#) or navigating to www.gente.solutions and clicking on the "B" or any of the articles under "News"

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