



## Regulatory Alert and Legislative Updates

### **HSA, FSA and HRA provisions in the Coronavirus Aid, Relief, and Economic Security (CARES) Act**

Signed into law March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act contains important provisions on the use of health savings accounts (HSAs), flexible spending accounts (FSAs) and health reimbursement accounts (HRAs).

#### **Telehealth services**

High-deductible health plans (HDHPs) with an HSA may provide pre-deductible coverage for telehealth and other remote care services. This provision will last until December 31, 2021 (plan year must begin prior to this date).

#### **Certain over-the-counter (OTC) medical products as qualified medical expenses**

The CARES Act restores the ability to use HSAs, FSAs and HRAs to purchase certain OTC medical products, like Tylenol, Claritin and Pepto-Bismol, etc., without a doctor's prescription.

For the first time, menstrual care products are considered qualified medical expenses for payment or reimbursement with an HSA, FSA or HRA. These changes apply to amounts paid or expenses incurred on or after January 1, 2020.

Both provisions for OTC and menstrual products are ongoing without an expiration date. We are awaiting updates to IRS publication 502 for the comprehensive list of what will be covered under these provisions.

Please visit [optumbank.com](https://www.optumbank.com) for the latest developments and up-to-date information on regulation changes related to health care spending and savings accounts.

Optum Bank will continue to monitor developments to ensure you are armed with critical information that impacts your employees so you know what steps to take.