



## COVID-19 General Information

In Questco's continued commitment to keep you up to date on all legislation and information surrounding COVID-19, this message will include information on the Families First Coronavirus Response Act (HR 6201) passed on Friday, March 20, 2020, an update on health insurance coverage considerations and reference to a comprehensive Q&A that is available to you.

### Families First Coronavirus Response Act – Effective Date and Tax Credits

This act was signed into effect by President Trump on March 18, 2020 to help defeat COVID-19 by providing all American businesses with fewer than 500 employees funds to provide employees with paid leave, either for the employee's own health needs or to care for family members. The effective date for enactment is **April 2, 2020**. **Please note that leaves taken prior to April 2 will not qualify for financial relief under the FFCRA.**

On March 20, 2020, the Internal Revenue Service (IRS), U.S. Department of Treasury, and U.S. Department of Labor announced that small and midsize employers can begin taking advantage of two new refundable payroll tax credits, designed to immediately and fully reimburse employers, dollar for dollar, for the cost of providing Coronavirus-related leave to their employees. Below is a link to additional information on the tax credits available.

<https://www.irs.gov/newsroom/treasury-irs-and-labor-announce-plan-to-implement-coronavirus-related-paid-leave-for-workers-and-tax-credits-for-small-and-midsize-businesses-to-swiftly-recover-the-cost-of-providing-coronavirus>

Please note that many questions remain unanswered regarding exactly how employers will request and receive these credits, the timing of distribution, and most importantly how those credits will be administered for employers in a PEO relationship. These are all items that Questco is tracking moment by moment, and we will continue to update our clients as we receive greater clarification.

### Families First Coronavirus Response Act – Health Coverage

A group health plan and a health insurance company providing group coverage is required to begin providing coverage effective immediately.

For most carriers, including the Questco UHC Master Plan, employees will remain eligible for medical coverage if they remain an active employee during periods of temporary layoffs and/or reduction in hours as a result of COVID-19. Determination of whether the layoff is temporary (i.e., you anticipate the employee to return to work at some time in the future) or permanent is up to the employer. Employers must notify Questco if there is a change in employment status. Carriers will require full premium payments in order to continue employee coverage; this will be the responsibility of the employer should the employee remain on the health insurance plan during a layoff.

### FAQ's on COVID-19

Fisher Phillips, a nationally recognized labor and employment law firm, provides an excellent FAQ's section developed on Saturday, March 21<sup>st</sup> on their website. While it is directed to Automobile Dealerships, the questions and answers pertain to all aspects of the Families First Coronavirus Response Act and are generally applicable to all employers.

[https://www.fisherphillips.com/resources-alerts-fisher-phillips-dealership-practice-group-fags-on?click\\_source=sitepilot06!6187!d2VuZHkua2F0ekBxdWVzdGNvLm5ldA==](https://www.fisherphillips.com/resources-alerts-fisher-phillips-dealership-practice-group-fags-on?click_source=sitepilot06!6187!d2VuZHkua2F0ekBxdWVzdGNvLm5ldA==)

Please contact us with any questions or concerns.

Sincerely,

Jason Randall, CEO

A handwritten signature in black ink that reads "Jason Randall". The signature is written in a cursive style and is enclosed within a thin, light-colored rectangular border.