

COVID-19 FSA Changes

A relief bill was signed into law this past weekend includes provisions that make over-the-counter (OTC) medicines and menstrual products HSA-, FSA- and HRA-eligible. We're here to help you take the appropriate next steps in making sure you can take advantage of these changes as soon as possible.

You cannot yet purchase OTC or menstrual care items using your benefits debit card. There are few things that must first happen.

- The Special Interest Group for IIAS Standards (SIGIS) board must first adopt these new standards and publish the revised Eligible Product List (EPL).
- Merchants (e.g. Walgreens, CVS and smaller drug and grocery stores) must update their systems.
- We expect merchants to start adopting changes for OTC items around April 15 and menstrual care products around May 15. However, merchants may take up to a month to complete the changes that will allow consumers to purchase these items with a card swipe.
- If you try to purchase these items with your benefits card before the systems have been updated to auto approve, the transactions will be denied. However, manual claims for these type products can be submitted on the online portal for direct deposit reimbursement.

High-deductible health plans (HDHPs) [can cover the costs of testing and treating the spreading coronavirus before patients spend up to their plan's deductible](#) without losing the plan's status as an HDHP, the IRS announced March 11.

[IRS Notice 2020-15](#) clarifies that an HDHP can provide benefits under the plan's deductible for medical care services and supplies to test for and treat COVID-19, the disease caused by the coronavirus. This change means individuals enrolled in an HDHP that covers coronavirus-related costs pre-deductible will remain eligible to contribute to a health savings account (HSA).