

What happens to employees who are working, but a reduced (less than FT) number of hours?

New laws, rules, and regulations do not currently address continued Health Plan coverage for reduced hours; however, we believe the intent is to continue coverage. Government officials, including the Department of Labor, are currently strongly encouraging employers to modify existing requirements for their employees as much as possible. Even so, reduced hours, layoffs/furloughs and extended leaves are employment issues; therefore, covering members under the Plan is an employer decision.

PBA has drafted an amendment to allow coverage to continue for multiple circumstances that may arise as a result of COVID-19 for each client to review and sign. Stop loss carriers have indicated that they would accept these amendments.

What happens if the employer needs to send employees home for a temporary shutdown to clean, but will not pay employees?

In most cases, coverage can continue for members who are “regularly scheduled” to work the required number of hours. Shutdowns are ordinarily for just a few days; therefore, there should be no coverage interruption.

What happens if there are no FMLA leave options available for staff, or the group is a small business that is exempt from FMLA?

This is an employer decision. Please let PBA know your intention; we will amend the Plan and administer it accordingly.

Note: A business with fewer than 50 employees may claim a small business exemption from leave requirements under the Families First Coronavirus Response Act. Please refer to FAQs 4, 58 and 59 in the Department of Labor’s Families First Coronavirus Response Act Questions and Answers for information (link provided to DOL FAQ on page 2).

What if an employee has less than 1 year of service and does not qualify for FMLA?

The Emergency Family and Medical Leave Expansion Act reduces the qualifying period to 30 days of employment. The Emergency Paid Sick Leave Act applies regardless of length of employment.

What applies to employers with over 500 employees? The Families First Coronavirus Response Act (FFCRA) does not apply to us.

This is an employer decision. Please let PBA know your intention; we will amend the Plan and administer it accordingly.

How do the employer credits work under the FFCRA?

This is a question that needs to be addressed with your accounting firm or tax advisor.

The IRS has released an FAQ covering questions arising from the tax credits available to employers providing paid leave as required in the Families First Coronavirus Response Act. These credits reimburse employers for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19.

[Click here for the IRS COVID-19 FAQ](#)

The FAQ covers a variety of topics relating to the administration of the tax credits, including how employers should claim a credit, what documents employers should retain, and what health expenses qualify for a credit. It also addresses how an employer who sponsors a self-funded group health plan is to allocate plan expenses to the qualified leave wages on a pro rata basis (see FAQ #34).

If our plan does not currently allow coverage continuation during a temporary layoff/furlough, will stop loss carriers allow open ended amendment language, such as coverage remains active during a temporary layoff/furlough (not government mandated)?

Based on PBA's discussions with the stop loss carriers, they seem to be understanding of the issue and will allow extensions of up to 90 days. However, PBA recommends that the Plan be amended according to your intentions.

PBA has drafted a basic amendment to accommodate continued coverage for multiple circumstances that may arise as a result of COVID-19 for your consideration. If it is not your intention to allow coverage for each of the circumstances listed in the Amendment, please let us know and we will modify the Amendment to meet your needs.

Are there any new Notice requirements under the FFCRA?

Yes, there are new Notice requirements. The Department of Labor has published a poster that employers subject to the FFCRA are required to post. This poster, along with the DOL's FAQs regarding the Notice requirements, are available from the DOL.

- Click here for the [DOL's FAQs regarding the Notices](#)
- Click here for the [FFCRA Poster Employee Rights: Paid Sick Leave and Expanded Family and Medical Leave under The Families First Coronavirus Response Act \(FFCRA\)](#)

Where can I get additional information on the Families First Coronavirus Response Act and how FMLA is impacted?

The Department of Labor has published information on their website.

- Click here for the [DOL's FAQ: Families First Coronavirus Response Act: Questions and Answers](#)
- Click here for the [DOL's Fact Sheet for Employers: Families First Coronavirus Response Act: Employer Paid Leave Requirements](#)
- Click here for the [DOL's Fact Sheet for Employers: Families First Coronavirus Response Act: Employee Paid Leave Rights](#)
- Click here for the [DOL's FMLA FAQ: COVID-19 and the Family and Medical Leave Act Questions and Answers](#)

If we extend coverage under our health plan for any of the reasons outlined above, what else do we need to do to protect affected employees?

You need to contact all the insurance carriers that provide other group employee benefits, such as Life Insurance, Long Term Disability, Long Term Care, Dental, or any other group plans, to discuss what options are available to continue coverage. You should also contact any voluntary benefits carriers to discuss the same issue.