



# FSA, HRA, HSA COVID-19 FAQs

The regulations regarding these issues are changing almost daily. Based on the information we received to date, the following FAQs are designed to give us guidance.

## **We are furloughing/laying off employees (not terminating). How should we handle their FSA deductions?**

Their deductions can be caught up when they return to work or, if still getting paid, deductions will continue as normal.

## **Will their debit cards continue to work when employees are on furlough?**

As long as no termination is sent to PBA, the debit cards will continue to work as normal. There is no need to amend the plan to allow these claims to be processed.

## **If a group allows claims to be processed and paid during an employee's furlough, what happens if the employee, for one reason or another, does not come back to work?**

The client will lose out on the payroll deductions that were not collected during the furlough.

## **Do all employees need to stop their dependent care accounts?**

Not necessarily. The employees usually pay out more than they can deduct for a plan year. Please allow your employees to make this decision. However, if on furlough and not having deductions, we need to stop their deductions in our system so that the account balance accurately reflects the actual deductions.

## **If a group has a furlough, is the group supposed to automatically suspend all transit and/or parking on behalf of their furloughed employees?**

No, you must communicate with the employee and allow them to make that decision and take the appropriate action.

## **If a group has a furlough, is PBA going to automatically suspend all transit, parking and/or dependent care accounts on behalf of their furloughed employees?**

No, the member should be the one to suspend / cancel their election.

## **What is now eligible for FSA's HRA's and HSA's with the OTC change?**

All over the counter drugs, medical products, and menstrual products are eligible under the FSA plan. However, vitamins and other supplements continue to require a prescription to treat a specific disease or condition.

## **What should employees do if their debit card does not work for a newly eligible OTC product?**

They will need to use a different form of payment for their purchase and submit a request for reimbursement.

**If an employee had to postpone a procedure until after our Plan Year is complete, is there an extension to use funds from the prior year?**

No, there is nothing in the law that allows any extension of benefits.

**Is the change in the over the counter drugs a permanent change?**

Yes, unless Congress enacts another change in the law.