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Treasury/IRS guidance on coronavirus clears way for employers to provide additional screening, treatment

WASHINGTON, DC – “The spread of the coronavirus represents a serious threat to millions of Americans and employers are committed to providing all necessary information, testing and treatment to keep employees and their families safe and healthy,” American Benefits Council President James A. Klein said today.

“Employers have already been at the forefront of voluntary action to protect the safety and health of their employees and families by removing cost barriers to care. The swift guidance issued by the U.S. Treasury Department and Internal Revenue Service (IRS) gives companies the assurance they needed to ensure that screening can be provided no cost to covered beneficiaries,” Klein said. IRS Notice 2020-15 confirms that the provision of all medical care services received and items purchased associated with testing for and treatment of COVID-19 will not disqualify a health plan from being linked with a health savings account (HSA). The guidance also reaffirms vaccinations continue to be considered preventive care that can be covered pre-deductible.

“Since the start of this viral outbreak, the Council has sought guidance to ensure employers providing COVID-19 screening pre-deductible would not disqualify the health plan from being coupled with an HSA,” Klein said, citing ongoing communications with federal agencies and its most recent March 10 letter to Treasury and IRS. “We are deeply appreciative for the rapid and responsive guidance issued today.”

The Council applauds the efforts of Senator Steve Daines (R-MT), who sent a letter urging the Administration to take swift action to make testing affordable. The Council will continue to work with Congress and the executive branch to prevent, screen and treat COVID-19 and minimize the impact on individuals and businesses. In addition to the obvious implications for health plans and beneficiaries, the COVID-19 outbreak has serious implications for employer paid time off policies and retirement plan investments.
“This public health crisis is a long way from being over, but it can be mitigated with smart and responsive leadership,” Klein said. “Employers, who provide affordable, high-quality health care coverage to more than 178 million Americans, are already leading by example.”

For more information on the Council’s health policy agenda, or to arrange an interview with the Council’s health policy team, contact Jason Hammersla, Council vice president, communications, at jhammersla@abcstaff.org or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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