

WEBINAR

## COVID-19 Business Resources Webinar

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# Employer Resources: Changes to the Workforce Amid COVID-19

Bobby LaCour, Partner, Moderator

Tracey Davis, Partner, Aldrich Benefits

Evan Cole, Employee Benefits Consultant, Aldrich Benefits

Aldrich Benefits





## Bobby LaCour

PARTNER, ALDRICH CPAs + ADVISORS

Bobby has over fifteen years of experience in public accounting while serving his clients in the government, nonprofit, and private middle-market sectors.

He specializes in providing consulting, attest and accounting services, in addition to an extensive background in internal control and operations analysis.



## Tracey Davis

PARTNER, ALDRICH BENEFITS

Tracey is a leading Employee Benefits Consultant specializing in large and mid-market employers with particular expertise in self-funding. She builds a strong reputation in the market as someone who is knowledgeable, engaged, and creative.

Her in-depth knowledge of the market and strong carrier relationships provides creative solutions for funding, medical management, and cost containment with an eye on the future direction of healthcare.



## Evan Cole

EMPLOYEE BENEFITS CONSULTANT, ALDRICH BENEFITS

Evan partners with his clients to advise and assist them with their employee benefit plans, specializing in group and association plans. He was a top producing employee benefits representative for one of the nation's largest life, disability, and dental carriers prior to joining the firm.

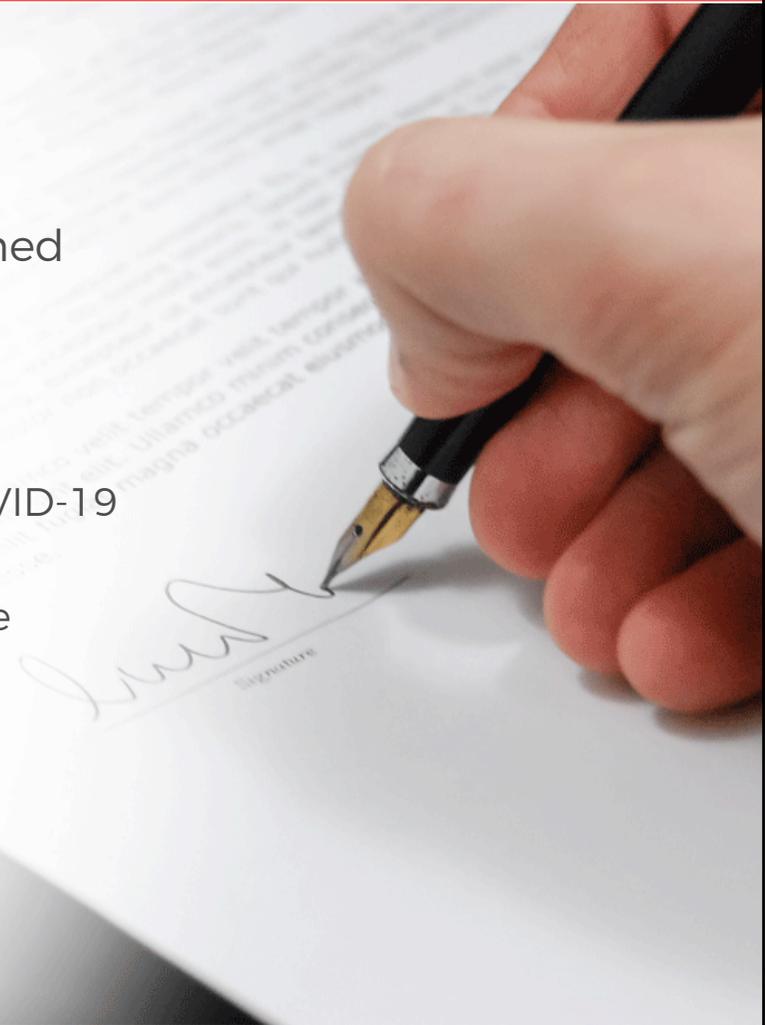
He holds licenses for life and health in the states of Oregon, Washington, and California. Evan is also an active member of the Oregon Association of Health Underwriters and supporter of the ACE Mentor Program of Oregon.

- Families First Coronavirus Response Act (FFCRA)
- Emergency Paid Sick Leave
- Emergency Family and Medical Leave Act
- CARES Act – Interacts with High Deductible Health Plans, HSAs, FSAs, & HRAs
- Other provisions and considerations for your organization

*The information provided herein does not, and is not intended to, constitute legal advice; instead, all information, content, and materials available are for general informational purposes only. Readers of this presentation should contact their attorney to obtain advice with respect to any particular legal matter. The information was updated as of April 14 2020 and we recognize it may change. Please contact your Aldrich Advisor for the most up to date information for your situation.*

## Families First Coronavirus Response Act

- Families First Coronavirus Response Act (FFCRA) was signed into law on March 18, 2020
  - Emergency Paid Sick Leave
  - Emergency Family and Medical Leave Act
  - Economic assistance and require health plans to cover COVID-19 testing, at no charge
  - Refundable tax credit for employers that provide paid leave benefits



## Emergency Paid Sick Leave

- Two weeks of paid sick leave for government workers and employees of companies with fewer than 500 employees
- Leave must be made immediately to workers who are
  - Symptomatic or
  - Under such an order or advice or
  - Have a child whose school or child care facility has closed (whose child care provide is unable) due to the coronavirus

## Emergency Family and Medical Leave Act

- FMLA rights for some employees of companies with fewer than 500 employees
- Requires partially paid leave after 10 days when an employee is unable to work or telework due to school or child care closures related to the coronavirus



## Tax Credits through Families First Coronavirus Response Act

- Strategic tax considerations to discuss with your CPA:
  - Businesses can retain and access funds from payroll tax deposit to fund qualifying FFCRA leave
  - If FFCRA wages exceed payroll tax deposits, there are two options to consider
    - Filing Form 7200 to get advanced refund
    - Wait until Form 941 is filed quarterly, to request refund
  - Organizations should confirm how FFCRA wages and other stimulus provisions interact before taking action

## CARES Act – High Deductible Health Plans, HSAs, FSAs & HRAs

- Coronavirus Aid, Relief and Economic Security Act (CARES) Act, passed on March 27, 2020
  - HSA contributions – owners can continue making 2019 contributions through extended tax filing
  - Telehealth- HDHPs may waive participant cost-sharing requirements for all “telehealth and other remote care service” (including services unrelated to COVID-19) without affecting the HDHPs compatibility with HSAs
  - Over-the-Counter (OTC) Drugs- HSAs, FSAs, and HRAs may now reimburse OTC medications without a prescription for expenses incurred after 12/31/2019
  - Menstrual Care Products- now eligible expense through HSAs, FSAs, and HRAs

## Complying with the ADA

- EEOC recently released a 45-minute long webinar covering questions they have received – question highlights:
  - ADA-covered employers are allowed to ask EEs if they are experiencing symptoms of COVID-19
  - What other measures can employers take to determine if employee who are physically coming into the workplace aside from taking their temperature
  - Can an employer ask an employee if they have family members with COVID-19 or symptoms of the disease
  - Is COVID-19 considered a disability under the ADA?
- Aldrich- COVID-19 Resources Center covers these questions & more

## Who Pays for Leave

- U.S. Department of Labor released QA on March 24, 2020 – shifts new effective date to April 1 2020
  - Does not replace your existing sick or PTO policy, in addition to currently offered benefits
  - The FFCRA emergency paid family leave is an amendment to existing FMLA law that allows an additional qualifying reason for covered leave and provides paid component
  - Based on limits, the maximum exposure per employee is \$15,110 (\$5,110 max pay for sick time and \$10,000 max pay out for paid family leave)

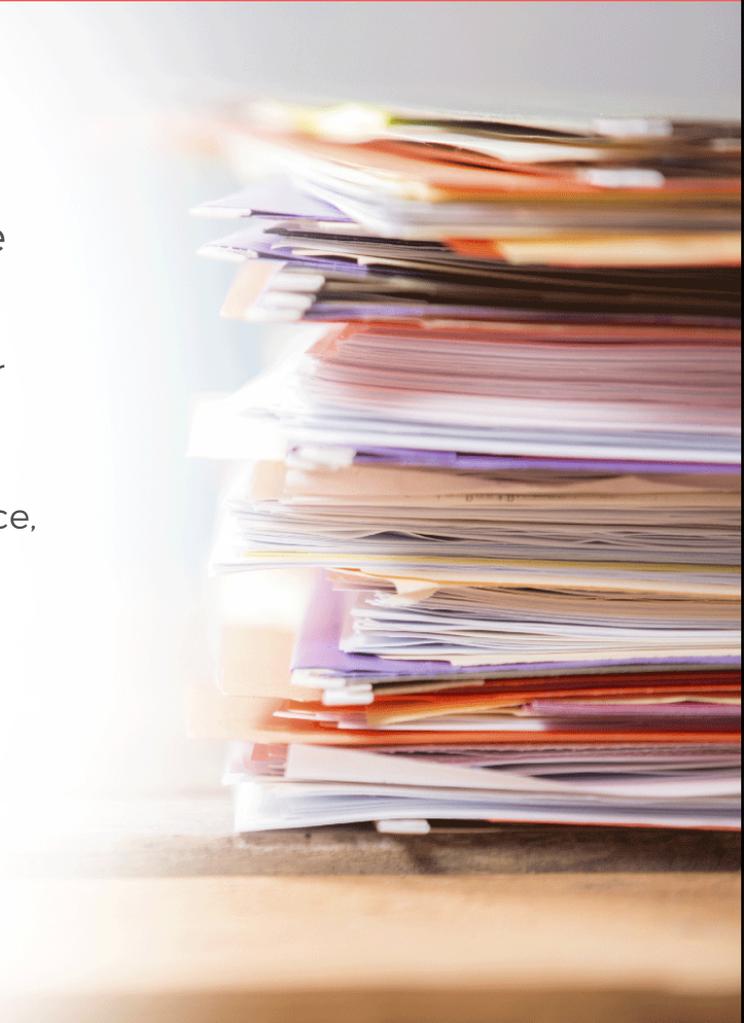


## Record Keeping – Sick Leave or Expanded Family & Medical Leave

- Employers must collect and retain the following records for employees who received the paid sick leave or expanded family and medical leave
  - All supporting documentation for leave request – includes:
    - The employee's name
    - The date or dates for which leave is requested
    - A statement of the COVID-19 related reason that the employee is requesting leave and written support for such reason; and
    - A statement that the employee is unable to work, including by means of telework, for such reason

## Record Keeping – Quarantines

- Leave is due to quarantine order or self-quarantine advice
  - All supporting documentation for leave request – includes:
    - The name of the government entity ordering the quarantine or the name of the health care professional advising the self-quarantine
    - If the person subject to the quarantine, or self-quarantine advice, is not the employee, that person's name and relation to the employee



## Record Keeping – Paid Sick Leave Child or Expanded Family Leave

- Leave is due to care of child or expanded paid family leave, collect a written and signed statement
  - All supporting documentation for leave request – includes:
    - The employee's name
    - The date or dates for which leave is requested
    - The name and age of the child(ren) being cared for
    - The name of the school that has closed that is unavailable
    - Representation that no other person will be providing care for the child during periods for which the employee is receiving leave
    - A statement with respect to the employee's inability to work or telework because of needed care

## Record Keeping – Important Tips

- All records **MUST BE RETAINED** for at least 4 years
- Dollar amounts paid for each type of leave must be tracked
  - This is how payroll tax credits will be determined
- If you need assistance with your workforce management, please contact your Aldrich Advisor.

# DOL Updates

(Interpreting the Fine Print)

1. Mandating employees exhaust PTO while on EFMLEA
2. What counts as a qualified Health Care Expense
3. Interaction between FFCRA and CARES Act tax credits
4. Clarification on leave to care for a child
5. Intermittent leave
6. Who is considered an “individual” under Sick Pay reason 4

7. Clarification around Sick Leave reason 3
8. What if you cannot get tested?
9. Are FFCRA entitlements per job or per person?
10. Expanded definition of eligible employee
11. Summertime child care
12. Examples: Coffee House & Manufacturing Plant

Let's Talk About It



Tracey Davis

PARTNER

ALDRICH BENEFITS



Evan Cole

EMPLOYEE BENEFITS

CONSULTANT

ALDRICH BENEFITS

Contact Us!

Email: [info@aldrichadvisors.com](mailto:info@aldrichadvisors.com)

Phone: 877.620.4489

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