



IRS Issues Guidance for HDHPs and Expenses Related to COVID-19

March 12, 2020

As part of the federal government's response to the 2019 Novel Coronavirus ("COVID-19"), the IRS issued Notice 2020-15 yesterday. The notice provides that, until further guidance is issued, a health plan that otherwise satisfies the requirements to be a high deductible health plan ("HDHP") under section 223(c)(2)(A) of the Internal Revenue Code will not fail to be a HDHP merely because the health plan provides health benefits associated with testing for and treatment of COVID-19 without a deductible, or with a deductible below the required minimum deductibles (self only or family) for a HDHP.

The Internal Revenue Code permits eligible individuals to deduct contributions to health savings accounts ("HSAs"). Among the requirements to be an eligible individual and qualify for the deduction, the individual must be covered under a HDHP that satisfies the applicable requirements, including the requirements with respect to minimum deductibles, and have no disqualifying health coverage. The notice allows a health plan to provide medical care services and items related to testing for and treatment of COVID-19 without satisfying the requirements with respect to minimum deductibles and still maintain its status as a HDHP, so long as all the other HDHP requirements are met. This relief should help to remove certain barriers to the testing and treatment of COVID-19.

The notice also clarified that it does not otherwise modify previous guidance regarding the requirements of a HDHP in any manner, and, specifically, that vaccinations continue to be considered "preventive care" for purposes of the HDHP rules.

To view a recent update on COVID-19 from our Employment Law Group, follow the link below.
[Employment Law Group COVID-19 Update](#)

If you have questions or would like additional information, please contact a member of our Employee Benefits and Executive Compensation Practice Group.



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