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ERISA Wrap and COVID Updates

Your updated documents now provide that coverage for group health benefits will continue during a COVID-19-related paid leave, as required by the Families First Coronavirus Response Act (FFCRA). Also, the separate Wrap SPDs and Plan Documents for health FSAs and HRAs have been updated to remove the legal restriction on reimbursing over-the-counter (OTC) drugs, as provided by the Coronavirus Aid, Relief and Economic Security Act (CARES Act).

These changes will appear in your renewal ERISA Wrap.

If you prefer to use a Summary of Material Modifications (SMM) instead of distributing a new Wrap SPD to all participants, **a sample SMM is available** for this purpose. This sample SMM addresses the FFCRA's paid leave requirements and the option for health FSAs and HRAs to reimburse OTC drugs and menstrual care items (as permitted by the CARES Act). It also includes sample language for employers that want to expand their plan's eligibility rules in response to the COVID-19 pandemic.

As a reminder, participants generally must be informed of plan changes either through an SMM or a revised Wrap SPD. Regardless of how the changes are communicated to plan participants, the Wrap Plan Document must be revised and signed by an authorized officer of the employer.