



To our Valued Clients,

As we continue to navigate the COVID-19 pandemic crisis along with you, BMS will be sharing updates on pertinent regulations, as well as reminders of how we have adjusted our processes and procedures to continue doing our part to help slow the spread of this illness while still providing the best service we can to our clients and participants. Please review the following reminders and updates for this week.

As previously noted, the CARES Act that was signed into law on March 27<sup>th</sup> has allowed for Over-the-counter drugs and medicines (OTC) to now be purchased or reimbursed with an FSA, HSA, and certain HRAs *without* requiring a doctor's prescription. This is effective for all OTC items purchased on or after January 1, 2020. The also now allows for menstrual care products, which are described as "tampon, pad, liner, cup, sponge, or similar product used by individuals with respect to menstruation", to be purchased or reimbursed with an FSA, HSA, and certain HRAs, effective retroactively to 1/1/2020.

*It's important to note that while these products are now eligible, employees are **not** able to use their TakeCare benefit card to purchase these items at this time. The organization that oversees coordination of these products for payment with benefit spending card, is working to update their eligibility lists and hope to have that complete by April 15<sup>th</sup>. After that time, it will be up to individual merchants to process those changes into their point of sale systems and ensure their systems get updated with the item revisions; this is something that neither SIGIS nor BMS have any control over. So, while it may be some time before your employees are able to use their FSA/ HRA/ HSA card to pay for these items, participants can always pay out of pocket and then file a claim for reimbursement with BMS via our MyFlex website or mobile app. Please help make your employees aware that their TakeCare benefit spending **cannot** be used for OTC and menstrual care items and they will need to file reimbursement claims for those expenses until all updates have been made.*

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We know that many of our clients offering Flexible Spending Accounts (FSAs) are receiving questions from participants about changing their FSA benefit elections due to current circumstances. Please see information below regarding potential election changes for healthcare and dependent care Flexible Spending Accounts to help any address any questions you may be receiving:

- **Health (Medical and Limited) FSAs:** At this time, the IRS has not provided any updates or changes to the Section 125 election change requirements. This means that changes made to a group health plan in response to FFCRA or CARE requirements will not likely permit a health FSA election change. In some case though, an employment status change may trigger an election event. While employers may amend their plans to extend the run-out period for claims-filing purposes, which BMS has already extended to April 15<sup>th</sup>, 2020 for our 1/1 groups, an extension of the permitted grace period beyond 75 days or increase in the \$500 health FSA carryover

would require further action from the IRS. *BMS will continue to monitor future runout periods for our clients as needed to possibly extend filing deadlines as appropriate.*

- **Dependent care FSA:** For employees participating in the DCFSA that may be working from home, or have had their daycare facilities closed temporarily, those unforeseen changes *are* considered qualifying change in status events resulting in a need to change their DCFSA election. This means that employees can reduce or even suspend their DCFSA contributions at this time and then will have the option to increase or reinstate those once their dependent care needs and expenses are back to normal.

Please contact BMS regarding changes for your FSA participants so that we can provide the necessary information and forms and work with you to make any eligible updates.

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BMS employees are currently working remotely, or teleworking, as directed by local and state government agencies. The service we provide to our clients and participants remains our highest priority at BMS, so here is a reminder of our processes and procedures at this time:

- As our staff is working remotely, customer calls and voicemails are being re-routed and there may be delays in response. For quicker response times, we recommend participants email any inquiries to [claims@bmsllc.net](mailto:claims@bmsllc.net). Many questions can easily be answered by the employee visiting our websites for assistance; all associated BMS LLC websites are up and running without interruption including the BMS homepage ([www.bmsllc.net](http://www.bmsllc.net)), the Employee Website for FSA/HRA/HSAs - ([www.myflexonline.com](http://www.myflexonline.com)) and the MyFlexMobile app, the Employer Websites ([www.eflexonline.com](http://www.eflexonline.com)) for FSA/HRA/HSA clients, and the BMS Portal for applicable clients. Participants will continue to have full access to these tools for use of receipt submissions and filing claims with BMS. ***Please remember that participants can check their account balance at any time by logging in to the MyFlexOnline website or Mobile App; this will be the quickest way for them to retrieve their balance.***
- BMS will continue to process all claims and notices daily, and reimbursements of claims and mailing of notices will continue on our regularly scheduled twice weekly basis at this time. We will send notice should this have to change due to current circumstances. ***\*For groups with a BMS HRA or FSA with a Plan Year that ended on 12/31/19 - the claims filing deadline for 2019 claims and services for your employees that was previously set for Tuesday, 3/31/20 has been extended to Wednesday, 4/15/20. This was done to allow our participants who are also being affected, the additional and ample time to prepare their claims for submission to our office.***
- For BMS COBRA clients - our COBRA processes remain the same at this time, however we are experiencing a higher volume of events for processing of notices so please bear with us as we adjust. Please rest assured that all processing remains timely and within COBRA timeline regulations; BMS processes COBRA events and payments daily, and COBRA Qualifying Event notices are mailed twice weekly. As a reminder, our COBRA employer clients have access to the MyTpa online COBRA site ([www.mytpaonline.com](http://www.mytpaonline.com)) to review notice activity, and the My COBRA Payment site ([www.mycobrapayment.com](http://www.mycobrapayment.com)) is available for participants to pay their COBRA

premium online via credit card. Please note that many COBRA inquiries will require further research by BMS; to expedite a response, please email [cobra@bmsllc.net](mailto:cobra@bmsllc.net) or [claims@bmsllc.net](mailto:claims@bmsllc.net) with the members name, former employer and as much detail as possible that you can provide about your question.

We know this is a challenging time for everyone, and BMS is here to help. We will keep you updated on a regular basis, and as new information and/or processes and procedures become available.