



## GBS Compliance

# HDHP May Allow COVID-19 Testing & Treatment Before Deductible

---

*The evolution of the COVID-19 epidemic is constantly evolving. The information in this document is based on what known at this time. As things change, we will continue to update you as it affects employee benefits compliance rules.*

The Internal Revenue Service (IRS) has released a notice discussing coverage for the Covid-19 virus. [IRS Notice 2020-15](#) allows High-Deductible Health Plans (HDHP) to cover COVID-19 testing and related treatment (any coming vaccinations are already covered as preventive care) before reaching the deductible. A health plan that otherwise satisfies the requirements to be a HDHP under section [223\(c\)\(2\)\(A\)](#) of the Internal Revenue Code will not fail to be an HDHP under section [223\(c\)\(2\)\(A\)](#) 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 minimum deductible (self only or family) for an HDHP. Therefore, an individual covered by the HDHP will not be disqualified from being an eligible individual under section [223\(c\)\(1\)](#) who may make tax-favored contributions to a Health Savings Account (HSA).

This is a permissive, and not mandatory, order. It is ultimately up to each health plan to decide whether to allow such services to be offered before reaching the deductible. The specific language uses the word MAY not a must; allowing “flexibility.” It is important that any HDHP participants contact their respective health plans to determine if such coverage is provided before meeting the deductible.

*March 12, 2020*

This information is provided as educational material only and is not intended as legal, financial or tax advice. Consult your legal counsel for complete details on your compliance requirements for your plan(s).