



MARSH & McLENNAN
AGENCY

Addressing the Coronavirus Outbreak

An Employer's Guide

Updated as of March 24, 2020

It's our business to be there for you in the

**MOMENTS
THAT MATTER.**



ABOUT THIS GUIDE

Marsh & McLennan Agency understands there are many unknowns surrounding the COVID-19 virus and it can be difficult to sift through the information to determine action steps.

MMA has consolidated several decision points that you should consider as you and your organization develop your own business resiliency plan regarding your benefit program.

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MMA is committed to providing up-to-date information for employers on the Coronavirus.

Visit our dedicated Coronavirus Resource page at mma.marshmma.com/coronavirus-outbreak-resource-page to access resources at your fingertips.



FEDERAL AND STATE GOVERNMENT RESPONSE TO COVID-19

The President signed the Families First Coronavirus Response Act (FFCRA) into law on March 18, 2020. The FFCRA includes the below provisions related to health and welfare benefits.

Mandate to Cover COVID-19 Testing

All fully insured and self-insured group health plans¹, as well as individual health insurance policies, must provide coverage for COVID-19 diagnosis and testing without cost sharing or prior authorization when performed during a health care provider office visit, telehealth visit, urgent care center visit, or emergency room visit². This mandate does not require plans to cover the actual treatment of COVID-19 without cost sharing, but there are separate state mandates (Massachusetts, etc.) that employers should be aware of.

The FFCRA indicates this provision includes telemedicine visits, but we do not interpret this to mean that employers must offer telemedicine coverage to employees. Plans are not required to cover other care or services received during a visit that are unrelated to COVID-19 at 100% without cost sharing.

Emergency Paid Sick Leave

Effective Date

- On or before April 2, 2020, as specified in regulatory guidance to be issued by the U.S. Department of Labor (DOL) by that date.
- Expires on December 31, 2020, unless extended.
- Presumably, emergency paid sick leave beginning before December 31, 2020 may continue until completed.

Purpose

- Requires covered employers to provide “emergency paid sick leave” if the employee is unable to work (including remotely) and needs leave because:
 1. The employee is subject to a federal, state, or local government or agency quarantine or isolation order
 2. A health care provider has advised the employee to quarantine
 3. The employee is experiencing COVID-19 symptoms and is seeking a medical diagnosis
 4. The employee is caring for an individual subject to (1) or (2)
 5. The employee is caring for a son or daughter due to a school or day care provider closure or the unavailability of a child care provider
 6. The employee is experiencing any other substantially similar condition specified in regulations issued by the U.S. Department of Health & Human Services (HHS)
- In all instances, the sick time must be due to COVID-19.

Note: Purpose (6) was a late addition intended to give HHS the discretion to expand emergency paid sick leave eligibility, and we will have to wait for regulations for more information. An employee at increased risk due to age or an underlying health condition can already qualify for paid sick leave under (2) with a health care provider’s recommendation.

¹ This includes grandfathered plans under the Affordable Care Act (ACA).

² Other FFCRA provisions extend this requirement to Medicare, Medicaid, and other government programs.

Covered Employers

- Private employers with fewer than 500 employees and federal, state, and local governmental employers³ of any size.

Note: The FFCRA does not specify how or when to determine if an employer has <500 employees or if the calculation is on an EIN-by-EIN or controlled group basis. The DOL will address this in later guidance.

Benefit

- Covered employers must provide full-time employees with 80 hours of paid sick leave and part-time employees with paid sick leave equal to their average number of hours worked in a two-week period.⁴
- Emergency paid sick leave must be paid at a rate at least equal to the greater of: (i) the employee's regular rate of pay; (ii) the [applicable minimum wage rate under the Fair Labor Standards Act](#); or (iii) the applicable state/local minimum wage rate where the employee is employed.
- If the leave is taken for purposes (4) – (6), the rate described above is reduced to two-thirds.
- The maximum benefit is \$511/day (up to a maximum total benefit of \$5,110) for the employee's own quarantine, diagnosis, or illness and up to \$200/day (up to a maximum total benefit of \$2,000) if the paid leave is to care for another.

Eligibility

- All employees are eligible, even if employed for only one day.
- Employers cannot require employees to meet any service time or other eligibility requirements prior to taking emergency paid sick leave.

Note: The DOL may exempt certain health care providers and emergency responders from the application of Emergency Paid Sick Leave in subsequent regulations.

Employer Notice

- The DOL will provide a model notice by March 25, 2020, which must be conspicuously displayed at worksite locations (similar to the display requirements for other legal notices).

Employee Notice

- An employer may require an employee to provide reasonable notice of the need for continuing emergency paid sick leave after the first paid sick day.
- The FFCRA does not address substantiation requirements.
- An employer could require a note from a health care provider or notice of a school or day care closure, but please note that the Centers for Disease Control [has requested employers not require a doctor's note](#) to validate an absence or for return-to-work purposes due to the demands on health care providers' time.

³ We interpret an Indian Tribal Government to qualify as a covered governmental employer.

⁴ Special rules apply for employees covered under multi-employer collective bargaining agreements. An employer may satisfy its emergency paid sick time requirement by contributing toward a union program that provides the paid sick time.

Other Notes

- Unused emergency paid sick leave does not carry over to the next year.
- Employers cannot require employees to use other paid leave before using emergency paid sick leave.

Note: Prior versions of the FFCRA stated that employers were required to provide emergency paid sick leave in addition to other existing sick leave or paid time off (PTO) and could not reduce existing sick leave or PTO to offset or account for emergency paid sick leave. This language was removed from the final law.

This appears intended to allow an employer that already implemented a paid leave policy to address COVID-19 concerns to modify its policy to comply with the emergency paid sick leave requirements. It may also mean an employer can treat emergency paid sick leave as running concurrently with other PTO, since this would not be before using emergency paid sick leave. In that instance, we believe an employer would still be required to provide up to the maximum amount of required emergency paid sick leave time even if other sick leave or PTO is exhausted. We expect the DOL will address this.

Employer Reimbursement

- Reimbursable to employers in the form of a refundable payroll tax credit for 100% of covered paid leave.
- Remember, this is up to \$511/day (up to a maximum of \$5,110 per employee) for the employee's own quarantine, diagnosis, or illness and up to \$200/day (up to a maximum of \$2,000 per employee) if the paid leave is to assist another person.

Emergency Expansion to the Family and Medical Leave Act - Public Health Emergency Leave

Effective Date

- On or before April 2, 2020, as specified in regulatory guidance to be issued by the U.S. Department of Labor (DOL) by that date.
- The Public Health Emergency Leave provision is currently set to expire on December 31, 2020.
- Presumably, public health emergency leave beginning before December 31, 2020 may continue until completed.

Purpose

- Temporarily expands the FMLA to include "public health emergency leave" when an employee is unable to work because the employee must care for a son or daughter under age 18 due a school or day care provider closure or the unavailability of a child care provider.⁵
- The closure or unavailability must be due to COVID-19.

Note: An employee who is able to work remotely while caring for a son or daughter is not eligible for public health emergency leave.

⁵ This is a significant reduction in leave availability from prior versions of the FFCRA, which had loosely matched the purposes for emergency paid sick leave. Congress did not include a provision allowing federal agencies to expand this.

Covered Employees

- Employers with fewer than 500 employees.⁶

Note: This includes employers who are not traditionally subject to the FMLA due to their small size. The FMLA already applies to federal, state, and local government employers⁷ of any size, and the FFCRA does not restate this.

- The DOL has the authority to exclude certain health care providers and first responders from this expansion out of necessity.
- Employers with fewer than 50 employees may apply to the DOL for hardship relief if this expansion will put the employer at risk of going out of business.

Benefit

- 12 weeks of leave – After a 10-day elimination period, the remaining public health emergency leave is paid leave.⁸
- Covered employers must pay employees at least two-thirds of their regular rate of pay for the remainder of their FMLA leave period based on the employee’s regular work schedule.⁹
- For employees with variable work schedules, the average number of hours worked is determined using a 6-month look back period from the date the leave began or a reasonable expectation of average hours worked for new hires.
- The maximum benefit is \$200/day per employee (up to a maximum total benefit of \$10,000 per employee).

Eligibility

- Employees who have worked for at least 30 days with no minimum number of service hours.¹⁰
- Eligibility is determined without regard to whether the covered employer has 50 employees within a 75-mile radius.

Employer Notice

- The FFCRA does not specify an employer notice requirement.
- We expect the DOL will issue a revised FMLA model notice that includes public health emergency leave.

Employee Notice

- Standard FMLA notice rules apply.
- If public health emergency leave is foreseeable, an employee should provide notice of the need for leave as soon as it is practical to do so.
- The FFCRA does not address substantiation requirements.
- An employer could require a notice of a school or day care closure.

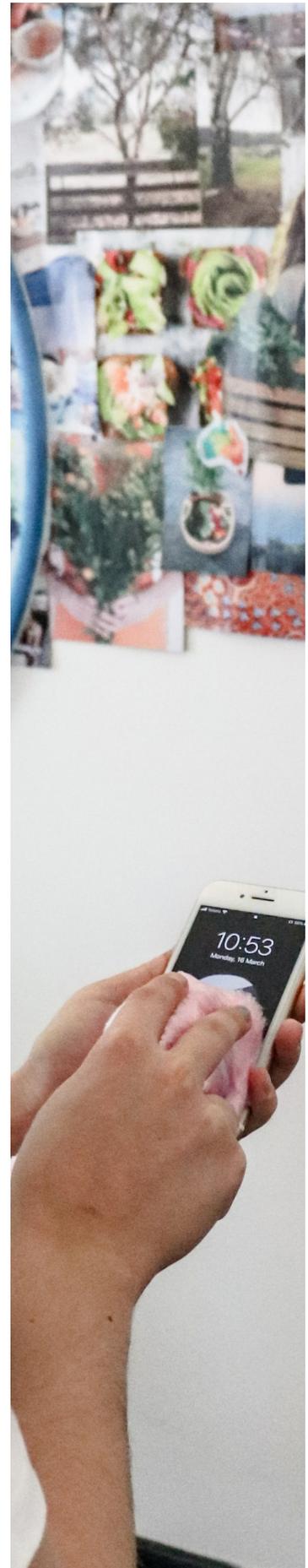
⁶ Similar to emergency paid sick leave, the FFCRA does not address how or when to determine if an employer has <500 employees or if the calculation is on an EIN-by-EIN or controlled group basis. The DOL will address this in later guidance.

⁷ The DOL interprets an Indian Tribal Government to qualify as a covered governmental employer under the FMLA.

⁸ It is no coincidence that emergency paid sick leave provides approximately two weeks of paid sick time.

⁹ Special rules apply for employees covered under multi-employer collective bargaining agreements. An employer may satisfy its paid public health emergency leave requirement by contributing toward a union program that provides the paid sick time.

¹⁰ This differs from the FMLA’s usual 12 months/1,250 hours of service eligibility requirement.



Other Notes

- This is job-protected leave under the FMLA
- As with other FMLA leave, employees may use accrued paid leave or emergency paid sick leave during the unpaid leave period

Employer Reimbursement

- Reimbursable to employers in the form of a refundable payroll tax credit for 100% of covered paid leave.
- Remember, this is up to \$200/day per employee (up to a maximum of \$10,000 per employee).

What Employers Need to Do Right Now

Fully Insured Plans

- If the medical plan is fully insured or subject to any state mandated coverages, Employers should work with their carriers to understand the impact to their benefits including whether telemedicine has been expanded with no cost share.
 - If the plan is subject to state mandated provisions that are more generous than FFCRA, like the state of Massachusetts, Employers should work with their insurance carrier to make the required changes.

Self-Insured Plans

- If the medical plan is self-funded, Employers should work with their Third Party Administrator (TPA) to cover testing with no cost share. Many self-funded employers have already voluntarily opted to expand coverage with no cost share for testing.
 - Some Pharmacy Benefit Managers (PBMs) are relaxing rules around refill limitations as well as trying to promote the availability of home delivery or mail order to help avoid any issues with patients not being able to get the prescription drugs they need.
 - For self-funded medical plans that opt to change or expand coverage (waiving cost share for testing telemedicine treatment or relaxing refill limitation on the prescription drug), the stop loss carrier should be consulted to confirm that there will be no impact to the current policy terms and conditions.

Undoubtedly, these are unprecedented times, Marsh & McLennan Agency remains committed to being there for our clients and communities. If you have questions about next steps reach out to your dedicated MMA representative or visit [MarshMMA.com](https://www.marshmma.com).

Action Items Regardless of Funding Arrangement

- Update plan documents as quickly as possible to reflect these changes (FFCRA mandated or otherwise).
- Employers with less than 500 employees will need to act quickly to comply with the Emergency Paid Sick Leave portion of FFCRA. For many Employers the easiest way to do this is to continue to pay employees through their payroll administrator with updated benefit calculations consistent with the final law.
- Employers should determine if they would like to expand PTO/Sick Leave and FMLA programs to allow up to 12 weeks of Coronavirus-related time off following the requirements of the Act.
- Some states have mandated leave benefits that would also provide a benefit to employees, which may apply to Employers of any size. Employers should continue monitoring federal, state, and local legislation for additional changes that could affect your company. Disability carriers or administrators are working to provide timely updates on any expansion of benefits impacting your covered employees.
- If Employers outsource their leave administration already, they should work with the leave administrator to update leave programs and help communicate any changes to your employees. Some Employers who self-insure their plans are considering adding specific coverage for quarantine or emergency leave.
- Employers in the healthcare industry need to keep in mind that certain health care providers and emergency responders may be excluded from the definition of employee for the paid sick leave.

Frequently Asked Questions

If an employee is quarantined but does not test positive for COVID-19, will the employee be considered disabled?

A quarantine is not a qualifying medical condition so the employee would not meet the definition of a Disability under most fully insured policies.

If an employee is quarantined and does test positive for COVID-19, is the employee considered Disabled?

Under most policies, a positive test for COVID-19 is not by itself a Disabling condition. The employee would only be considered Disabled if they were sick and unable to perform the essential duties of their occupation due to the sickness.

If my employee contracted COVID-19 at work or during travel for work is that considered workers' compensation or disability?

It depends on the specific circumstances, for example if the employee is a health care worker or first responder, the answer is likely that this would be a workers' compensation claim but it is still subject to variations in state law. For other employees, a payable workers' compensation claim may still be possible but should not be assumed. In general, most coverage assumes workers compensation applies to "on the job" injuries while disability applies to "off the job" but there are many disability policies including some individual short term disability plans that pay benefits for on the job injuries as well. Employers should be careful to make broad statements in regards to coverage in either situation and should let the carrier adjudicate the claim per the specific terms and conditions of their policy.

Our employee headcount can vary between under and over 500 employees. What date should be used to determine if this law applies to my company?

While not clearly defined, it appears to be based on a current employee count snapshot, not on the FMLA's usual look-back approach to the prior calendar year.

We offer STD coverage and need to close our location with limited ability to have employees work remotely, would STD apply?

No, if an employee is unable to work remotely, is not permitted to access their usual work location and/or is quarantined, but is still physically capable of working, they would not qualify for disability. Employer's paid time off (PTO) benefit or other employer-paid salary continuation benefit would be appropriate options to consider in these situations.

Who pays for the sick time or leave? How can we be expected to pay employees more when our business has slowed?

Employers must pay the benefits, but they will receive a tax credit for doing so. The FFCRA also provides for a refundable tax credit to employers for 100% of the qualified sick leave wages paid to their employees. These tax credits will be provided on a quarterly basis and are allowed against the employer's Social Security taxes. Employers with less than 50 employees can seek an exemption from this requirement based on overall business viability but details on how to apply for and the criteria that will be used to determine have not yet been released.

Is the paid sick leave in addition to current leave provided by the employer?

Yes, Congress removed a provision in the original bill that would have prevented employers from changing their current policies and benefits in response to the Act. An employer cannot require an employee to use other paid leave provided by the employer before the employee uses the paid sick leave available under the Act but the employee may decide to do so.

What notice must an employee provide for leave?

For the FMLA provisions employees need to provide the employer with "notice of leave as is practicable" which could be challenging to manage. The paid sick leave provisions state that after the first workday (or portion thereof) that an employee receives paid sick leave, an employer may require the employee to follow reasonable notice procedures in order to continue receiving the paid sick leave. The Department of Labor will be issuing guidelines no later than April 2nd to Employers on this process.

We have less than 50 employees, FMLA does not apply to us right?

While traditional FMLA does not apply, this Emergency Expansion of FMLA does apply to all Employers with less than 500 Employees, even those under the 50 employee mark not traditionally subject to FMLA. It is important to note that employers with fewer than 50 employees in a 75-mile radius are exempt from civil FMLA damages in an FMLA lawsuit. Small Employers can file for exemption if these requirements would jeopardize their business.

How does my company apply for exemption?

The FFCRA permits the Secretary to issue regulations that would exempt small businesses with fewer than 50 employees where "the imposition of such requirements would jeopardize the viability of the business as a going concern." However, to this point no information or guidance on what the standards for jeopardizing the viability are or how small employers should proceed to get the exemption. We will continue to monitor this issue and update as guidance is provided.



Would my employees be better off if they received unemployment versus this benefit?

The Department of Labor (DOL) announced new guidelines to allow flexibility to assist with job loss due to COVID-19. It is important to note that each state's benefit amount, application process and payment timing will vary. In some cases, Employees may receive more money under unemployment than they would have under the new paid leave laws but not in every case and they may need to wait several weeks to get payment based on anticipated backlog and high volumes of activity.

TESTING AND TREATMENT OF COVID-19

Quick Points

- Testing is now available through state and local health labs in all 50 states and D.C.
- Cost of the test will vary based on where it is completed (lab, physician's office, hospital, drive through) but in general ranges from \$50-\$200.
- Test results usually available same day.
- Some regions offer drive through testing – this will vary based upon CDC guidelines on who should be tested.
- CPT code established – 87635.
 - Our MMA Clinical teams will begin to track this in medical claims.
- 35 companies currently in process of attempting to produce effective vaccine.
- Vaccine is months away; likely not an option for current pandemic (but certainly will be option in preventing future outbreak).
- The Food and Drug Administration (FDA) is testing two anti-inflammatory drugs used for treating malaria (Hydroxychloroquine, chloroquine) to determine if fast track approval for Coronavirus will be granted.

Frequently Asked Questions

Do we have to waive cost share for the test itself? What about telemedicine and treatment?

Yes, per the FFCRA, all plans regardless of funding or size will need to cover the cost of testing. Waiving cost share for telemedicine and treatment is not a requirement, some fully insured carriers have agreed to cover the cost of telemedicine and care related to visits associated with diagnosis. Some states like Massachusetts have also mandated coverage for treatment with no cost share. For self-funded plans, employers can elect to cover but need to get approval from their stop loss carrier and should work with their TPA to make sure they understand how they can administer.

We have a High Deductible Health Plan with Health Savings Account, would we be violating IRS rules around first dollar coverage if we waive cost share for testing?

No, the IRS has released IRS Notice 2020-15, which allows HDHP plans to cover testing and treatment without requiring members to satisfy their deductible first in an effort to remove any cost barriers to identifying and treating members with Coronavirus.

How does testing work?

Testing procedures may vary based on where the test is performed but in general, the test involves a nasal swab similar to the test done for the flu. The swab is then sent to the lab for review and the member is advised of their test results and if appropriate the CDC. It is important to note that based on severity some local municipalities and states have set up or are in the process of setting up locations meant to process a high volume of tests including drive through testing services. The processes and time needed to get results still vary significantly throughout the country so members should continue to practice isolation and social distancing while waiting for their results.

Can an employer require employees who have traveled to destinations where there is a COVID-19 outbreak to remain away from work until it is clear they do not have COVID-19 symptoms?

Yes. When CDC or state or local public health officials recommend people remain away from work for a specified period of time after visiting specific locations, employers can require employees who have traveled to those locations to remain away from work for the recommended time period.

COMMUNICATION WITH EMPLOYEES DURING COVID-19

Communicate Often

- Assign both internal and external communication responsibilities to leadership to avoid communication gaps.
- Keep employees updated with messages such as: regular check ins, work from home tips, consistent messages from leadership, stress reducing tips or resources and/or at-home fitness resources.

Resources from Health Plan

- Telemedicine
 - Patients are encouraged to NOT seek care in a physician office, Urgent Care, or Emergency Room unless they meet the CDC criteria (i.e. signs of acute respiratory distress, etc.).
 - All major carriers have waived telemedicine co-pays, however it is important to check with your local market to verify.
 - Telemedicine resources will vary based upon health plan.
 - Medicare has expanded telemedicine coverage for members (3/17/2020).
- Families First Coronavirus Response Act (FFCRA) mandates all self-funded and fully insured health plans cover testing of COVID-19.
- The IRS issued IRS Notice 2020-15, which permits high deductible health plans (HDHPs) to provide coverage for COVID-19 testing and treatment before a participant satisfies the minimum statutory HDHP deductible for the plan year without affecting the participant's ability to make or receive health savings account (HSA) contributions.
 - This also covers telemedicine visits for COVID-19 related visits.

What Employers Need to Do Right Now

- **Deploy communications to members** on their benefits and what medical and prescription drug services may be of most use to them including testing, telemedicine and any costs being waived.
- Employers should also be **communicating changes or expansion of leave programs or availability of FMLA** during this time period.
- As many employers shift to remote or work from home status, **continue updating and checking in with employees regularly.**

CARE & WELLBEING RESOURCES

Employers and employees are facing challenges and changes, with work-life balance blending more than ever before. To help with limitations from the norm and adjustments to routine, here are some recommendations to help you **CARE** for yourself and your employees:

- **Connect with others:** avoid feelings of isolation or loneliness by talking with people you trust about your feelings and concerns.
- **Avoid pandemic news overload:** take breaks from watching, reading, or listening to news stories, including social media.
- **Remain active:** make time to unwind and find new ways to stay engaged with activities you enjoy.
- **Exercise, Eat and Elate:** take care of your body and your mind by exercising regularly, eating healthy and managing stress.

MMA has developed a list of no-cost resources to help your employees stay healthy while staying at home. These resources include at-home specific content on topics including physical activity, mental health, nutrition, and more. [Access the resources here.](#)

OTHER COVERAGE CONSIDERATIONS FOR EMPLOYEES

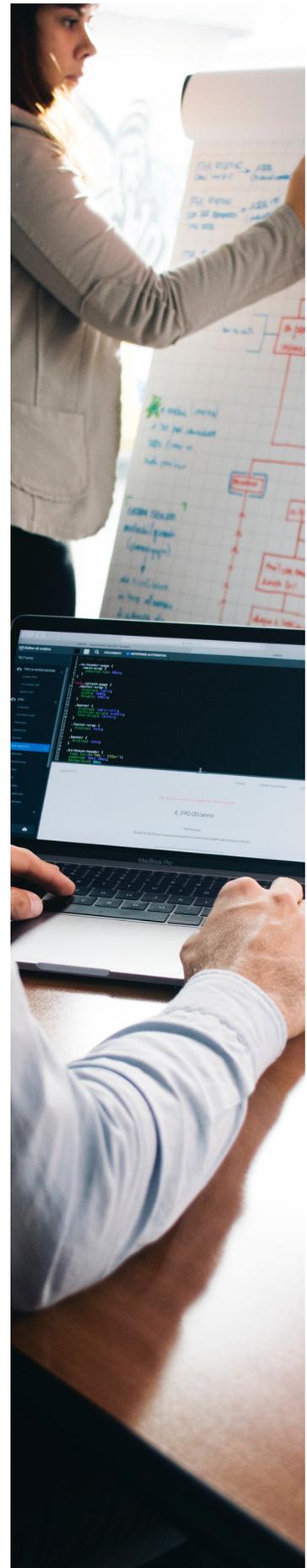
Considerations

- Employees are able to increase or decrease contribution to Dependent Care Flexible Spending Account due to closure or increased need of daycare.
- Employers may consider offering separate telemedicine coverage for non-benefit eligible employees.
- Getting back to business while planning for the unknown, considerations:
 - Many Employers are wondering what tomorrow will bring and if COVID-19 will kick off a global recession. According to the 2020 PwC's COVID-19 CFO Pulse Survey 54% of respondents say the outbreak has the potential for "significant" impact to their business operations. The survey conducted on March 11th, was also the day the World Health Organization declared Coronavirus a global pandemic with significant financial impact and increased market volatility. We can expect the top concerns noted below to grow in the coming weeks. Employers top concerns related to COVID-19, survey:

Employer Concern	
Potential global recession	80%
Decrease in consumer confidence, reducing consumption	48%
Financial impact, including effects on results of operations, future periods, and liquidity and capital resources	48%
Effects on our workforce/reduction in productivity	42%
Supply Chain Issues	34%
Not having enough information to make good decisions	14%
Lack of a comprehensive/tested company emergency preparedness plan	6%
Difficulties with funding	4%
Impacts on tax, trade, or immigration	2%
Financial disclosures, including effects on results of operations, future periods, and liquidity and capital resources	0%

Employers are considering challenging decisions about how to weather the storm and if financially their business can survive these challenging conditions for an unknown period of time. Some employers (based on industry): such as hospitality, tourism and manufacturing have already moved to cost reduction strategies including reductions in force, layoffs and furloughs. While these terms sometimes get used interchangeably each has a different meaning and requires different actions and communications by the Employer, here is a brief overview of the differences:

- **Layoffs** are temporary separations from payroll because there is not enough work for an employee to perform. In these situations the employer may believe that the situation will improve and when it does the impacted person will be recalled. For most layoffs employees are able to collect unemployment benefits while on an unpaid leave and at the Employer's discretion and with their insurance carriers approval they may be able to retain benefits coverage for a set period of time. This acts as an incentive to the impacted individual to remain available for recall when economic conditions/work volume improves.
- **Furloughs** are an alternative to layoffs when impacted employees are required to work fewer hours or to take a certain amount of unpaid time off. For example, an employer may furlough all employees to take a week or two of unpaid leave sometime during the year. Employers need to be careful when furloughing exempt employees including continuing to pay them on a salary basis to avoid jeopardizing their exempt status under the Fair Labor Standards Act (FLSA). Employer may require all employees to go on furlough, or it may exclude some employees who provide essential services to their company or their customers. Generally, the theory is to have the majority of employees share some hardship as opposed to a few employees losing their jobs completely. Some employers look to continue benefits for the furloughed employees, in order to do this the Employer will need to get approval from their insurance carriers and very clearly define the eligible group, eligible time period and assure payment of premium if the carrier approves this exception. It is possible that furloughed employees may become eligible for unemployment compensation. State unemployment compensation requirements differ, and some states require a one week waiting period before an individual qualifies for payments while other states are actually waiving waiting periods in an effort to help impacted employees. Assuming your plan is subject to COBRA, all covered employees experiencing a reduction of hours and loss of coverage due to the furlough are entitled to a COBRA election (as are their covered spouses and dependent children), even though they will presumably elect and continue COBRA coverage for only one month. Your company should timely provide COBRA election notices and otherwise follow its standard COBRA procedures.
- **Reductions in Force (RIF)** are when positions are eliminated with no intent to replace that role, layoffs could turn into a RIF if the employee is not recalled, these should be considered permanent separations. Unemployment may be available subject to state requirements and COBRA may apply assuming your plan is subject to COBRA. Employers may decide to offer severance to employees impacted by a RIF or in the case some collective bargaining agreements may be required to offer. Employers offering severance need to be mindful of subsidizing healthcare costs as part of a severance agreement as it could lead to issues as to when the COBRA qualifying event occurred effectively extending the COBRA coverage window and potentially shifting risk for catastrophic claims back to the employer from the stop loss carrier.



What Employers Need to do Right Now?

- Employers considering employment actions as a cost reduction strategy **should consult with their legal counsel** to assure compliance with the following:
 - Employment contracts
 - Collective bargaining agreements
 - The WARN Act at both the federal and state level
 - Older Workers Benefit Protection Act
 - FMLA
 - ADA/AA
 - COBRA
- Provide not only required notices, but also **provide information to impacted employees** on the impact to their benefits including applicable premiums, any leave programs that can be used and referrals to unemployment.
- All Employers should be mindful to consider all the benefits offered as focus will most likely be on medical benefits. Employees may need to take action to continue other coverage like life insurance per specific policy guidelines around portability and conversion.

Frequently Asked Questions

What do I need to consider if my company is considering a furlough?

After determining if any benefits you would like to continue during a furlough period the Employer should consult applicable insurers to confirm their approval. Employers in conjunction with their legal counsel should review and provide written notice to impacted employees.

Are employees who were actively at work prior to a furlough eligible for benefits while on furlough?

Sometimes benefits are continued, but most policies do not include furlough language that would allow for this expansion of actively at work requirements assuming premium is paid. Many carriers and third party administrators are working with Employers to allow benefits to continue for furloughs for a set period of time, however each employer should confirm that their plans have that approval before communicating continuation to their employees. Additional questions may arise in regards to benefits such as how the average salary is calculated for any applicable disability or like insurance benefit.

What if we need to reduce hours? Are employees whose hours are reduced below the minimum hours required in the plan document or certificate still eligible for benefits?

No, just like with furlough the carrier would need to approve a temporary reduction in required hours for a set time period as an exception assuming premium continues to be paid.

Do we have an obligation to provide notice under the federal WARN Act if we have to close a plant or layoff a portion of our workforce?

Yes, if your company is covered by the Worker Adjustment and Retraining Notification (WARN) Act but this is may change due to the unexpected nature of the Coronavirus. The federal WARN Act imposes a notice obligation on covered employers who implement a “plant closing” or “mass layoff” in certain situations. Employers need to consider any state level WARN regulations that may also apply.

ADDRESSING THE CORONAVIRUS OUTBREAK

Marsh & McLennan Agency is there for our clients, colleagues, and communities in the moments that matter. The Coronavirus pandemic is top of mind for companies and their employees. The threat of COVID-19 has grown increasingly real, infecting countries all over the world, spreading across boundaries and oceans, and rattling the global economy. Let MMA be your trusted resource during this challenging time, reach out to us today to see how we can help.

Learn More

Visit our dedicated Coronavirus webpage at mma.marshmma.com/coronavirus-outbreak-resource-page to access resources at your fingertips.



It's our business
to be there for you in the

**MOMENTS
THAT
MATTER.**

WE'RE HERE FOR YOU

BUSINESS INSURANCE

EMPLOYEE HEALTH & BENEFITS

EXECUTIVE BENEFITS

PRIVATE CLIENT SERVICES

RETIREMENT SERVICES

RISK MANAGEMENT

SURETY

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