



CARES ACT Stimulus Bill Permanently Reinstates Coverage for Eligible Over-the-Counter Drugs & Medicines for Reimbursement

The CARES ACT COVID-19 Stimulus Bill that was recently passed by Congress reinstates coverage of OTC (Over-the-Counter) drugs and medicines as eligible for reimbursement from FSAs, HRAs, HSAs, and Archer MSAs without the need for a prescription. It also further expands the definition of qualified OTC items to include menstrual care products. This change is effective for expenses incurred on or after January 1, 2020.

Full rollout requires the Special Interest Group for IIAS Standards (SIGIS) and merchants to take action. The key driver behind the change will be the availability of an updated list of eligible products from SIGIS and the implementation of that list by participating merchants. SIGIS is starting the process to create the list and is working closely with its members to complete this task.

We anticipate that merchant implementation of the new eligible item list will occur gradually within 4-6 weeks of the President signing the bill into law. The first step is SIGIS updating its eligible products list and publishing it to merchants for download. Current SIGIS rules require merchants to update their point of sale systems on a monthly basis, and we anticipate many will perform updates as soon as the new list is available. However, it is important to emphasize that each merchant will adhere to their own timeline for completion based on their own internal considerations, and card processors have no ability to influence this process. In addition, merchants who have private label brands need to update their Point-of-Sale (POS) databases to mark these products as eligible.

For csONE Benefit Solutions, no new configuration will be required for this change to be effective. Any plans that currently cover OTC items such as saline solution and medical

supplies will provide coverage for the expanded OTC items as soon as the merchant completes implementation and OTCs are eligible in standard 213(d) plan templates for manual claims processing.

We are excited about recent developments related to the CARES ACT COVID-19 Stimulus Bill and the opportunity to provide affordable access to OTC items via consumer driven health plans.