

Update on Families First Coronavirus Response Act

UPDATE - March 18, 2020 - 5:00 p.m.:

On the afternoon of Wednesday, March 18, the U.S. Senate approved the House-passed Families First Coronavirus Response Act (HR-6201) in a 90-8 vote. The bill will now be sent to the White House for the signature of the President, who has indicated willingness to sign the bill into law. It appears that the Senate passed the version approved by the House on Monday with technical corrections without any changes. Scott's legislative affairs team is reviewing the bill and will provide a detailed summary of the law.

UPDATE - March 18, 2020 - 8:00 a.m.:

On March 16, the U.S. House of Representatives passed certain updates to Saturday's Families First Coronavirus Response Act. While passed as technical corrections, some changes appear to be potentially significant. Notable changes are as follows:

- The original House bill provided paid family medical leave for up to 12 weeks for certain employees who are quarantined or seeking diagnosis of coronavirus, caring for an at-risk family member, or caring for a child whose school or place of care has been closed. The altered bill appears to provide paid sick leave for up to 2 weeks for those who are quarantined or caring for an at-risk family member. Only those caring for out-of-school children are eligible for an additional 10 weeks of paid family medical leave.
- Furthermore, healthcare workers and emergency responders may or may not be eligible for either of the above provisions at the discretion of the Secretary of Labor.

As a reminder, the bill has yet to pass the Senate and may be subject to further revisions. We will provide a summary of the final bill once signed into law.

During the early morning hours of March 14, 2020, the U.S. House of Representatives passed the Families First Coronavirus Response Act (HR 6201). The bill will require a technical correction in the House on Monday morning and will then head to the Senate where it is expected to pass sometime early in the week. President Trump has already committed to signing it into law. In addition to dealing with immediate public health challenges, it includes a wide array of provisions, including a requirement around COVID – 19 testing coverage, a paid leave requirement and expansion of FMLA for employers under 500 related to coronavirus.

- H.R. 6201 Full Text
- H.R. 6201 Summary Document

There was quite a bit of discussion around COVID – 19 testing last week. This bill takes the coverage requirement a step further than most carriers had last week, by requiring not only the testing be covered with no cost sharing, but also the cost of a provider, urgent care center and emergency room visit that is a part of the testing. Below is some details from the bill summary:

Section 6001. Coverage of Testing for COVID-19. This section requires private health plans to provide coverage for COVID-19 diagnostic testing, including the cost of a provider, urgent care center and emergency room visits in order to receive testing. Coverage must be provided at no cost to the consumer.

Other things that will be of serious interest to employer include an "Emergency Paid Sick Leave" provision and an "Emergency Family and Medical Leave Expansion Act" provision as well as refundable tax credits to employers who provide those benefits.

The Emergency Paid Sick Leave provision requires employers with 500 employees or less to provide two weeks of paid leave if they or a family member are infected or quarantined due to a coronavirus:

Section 5102. The Emergency Paid Sick Leave Act. This section requires employers with fewer than 500 employees and government employers to provide employees two weeks of paid sick leave, paid at the employee's regular rate, to quarantine or seek a diagnosis or preventive care for coronavirus; or paid at two-thirds the employee's regular rate to care for a family member for such purposes or to care for a child whose school has closed, or child care provider is unavailable, due to the coronavirus.

- Full-time employees are entitled to 2 weeks (80 hours) and part-time employees are entitled to the typical number of hours that they work in a typical two-week period.
- The bill ensures employees who work under a multiemployer collective agreement and whose employers pay into a multiemployer plan are provided with leave.

The Act, and the requirements under the Act, expire on December 31, 2020.

The Emergency Family and Medical Leave Expansion Act requires employers with 500 employees or less to provide 12 weeks of job-protected leave under specific scenarios related to a coronavirus:

Section 3102. Amendments to the Family and Medical Leave Act of 1993. This section provides employees of employers with fewer than 500 employees and government employers, who have been on the job for at least 30 days, with the right take up to 12 weeks of job-protected leave under the Family and Medical Leave Act to be used for any of the following reasons:

- To adhere to a requirement or recommendation to quarantine due to exposure to or symptoms of coronavirus;
- To care for an at-risk family member who is adhering to a requirement or recommendation to quarantine due to exposure to or symptoms of coronavirus; a
- To care for a child of an employee if the child's school or place of care has been closed, or the child-care provider is unavailable, due to a coronavirus.

After the two weeks of paid leave, employees will receive a benefit from their employers that will be no less than two-thirds of the employee's usual pay.

Division G of the bill (Sections 7001-7005) provide details about refundable tax credits for employers who provide paid sick leave and/or required family medical leave.

Our Scott team will provide additional communication as the legislation progresses through the process in the Senate. Please contact your Scott Benefits Consultant with any questions.