

# INFOBRIEF



## TOPIC: HIGH-DEDUCTIBLE HEALTH PLANS (HDHPs) CAN COVER CORONAVIRUS COSTS WITHOUT IMPACTING HSA ELIGIBILITY

ISSUED 03/12/20

The Internal Revenue Service (IRS) just announced in [Notice 2020-15](#), that high-deductible health plans (HDHPs) can pay for the 2019 Novel Coronavirus (COVID-19)-related testing and treatment, without losing its qualifying status. Under the guidance, health plans that otherwise qualify as HDHPs will not fail to qualify as a HDHP merely because they cover the cost of testing for or treatment of COVID-19 on a no or low-deductible basis.

This also means there will be no adverse effect on health savings account (HSA) eligibility; otherwise, HSA eligible individuals can still contribute to a health savings account if covered by a HDHP that covers these costs.

The notice applies broadly to “all medical care services received, and items purchased associated with testing for and treatment of COVID-19.” The guidance provides that it does not modify previous guidance regarding the HDHP requirements in any other respects, noting that, as in the past, vaccinations continue to be considered preventive care for purposes of determining whether a health plan qualifies as a HDHP.

The guidance applies only to HSA-eligible HDHPs. The IRS reminds participants in HDHPs or any other type of health plan to consult with their particular plans regarding the benefits provided for COVID-19 testing and treatment, including any application to deductibles or cost-sharing.