



APRIL 6, 2020

COVID-19: FFCRA UPDATES AND THE CARES ACT IMPACT ON EMPLOYEE BENEFITS

Please note that obtaining relief under the FFCRA Program described in the below may preclude you from obtaining a loan and potentially having that loan forgiven under the Payroll Protection Program under the CARES Act. This is not to say that you should not apply for benefits under this program or any other. Carefully review your eligibility for all programs before you select the one which may be best for your company. Selecting one may cause you to be ineligible for another. Review your selections with your accountant and/or your lawyers before you apply for your selected programs.

The Graham Employee Benefits team is working to ensure you remain informed with all COVID-19 legislation and compliance matters that may affect your employer-sponsored health plan.

Please click [here](#) for more information on the following topics that were issued this week:

1. **IRS Tax Credit Guidance on FFCRA:** The IRS has released guidance and sample forms related to the tax credit available to private employers with fewer than 500 employees who are required to provide Paid Sick Leave and Expanded FMLA leave as required by the recently passed Families First Coronavirus Response Act (FFCRA).

The tax credits are not available to public entities, even those who are required to provide Paid Sick Leave or Expanded FMLA.

2. **Families First Coronavirus Response Act (FFCRA) – DOL Temporary Rule:** Focusing on the Emergency Paid Sick Leave Act and the Emergency Family and Medical Leave Expansion Act, this new rule clarifies some of the requirements set forth in the Families First Coronavirus Response Act (FFCRA) and the subsequent guidance provided via FAQs.
3. **How the CARES Act Affects Your Employee Benefits Program:** The Federal government approved the Coronavirus, Aid, Relief, and Economic Security Act (The CARES Act), a \$2 trillion stimulus package containing many provisions designed to bolster the economy during the COVID-19 crisis. The CARES Act also includes several provisions that affect employee benefit plans summarized in this alert.

For additional COVID-19 resources and risk management recommendations, please visit our **COVID-19 Risk Management Center**.

A PDF of the above information can be found **here**.