



Date: March 31, 2020
To: All Employees
From: Vigor Benefits Team
Re: COVID-19 and Employee Health and Welfare Benefits

The recently passed legislation around the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") may have employees asking questions about their own health and welfare benefits and how these new laws may impact them. The attached document is intended to address these inquiries by providing some high-level information about your health and welfare benefits, COBRA and important contact information. This information is up to date as of March 31, 2020, is general in nature, and subject to change.

Highlights of the legislation:

- Expands coverage of COVID-19 testing and preventive services.
- Clarifies that plans and carriers will pay either the negotiated rate or the cash price, as listed on a provider's website, for COVID-19 testing.
- Provides that over-the-counter medicines and drugs are "qualified medical expenses" and may be reimbursed through a health FSA, HRA or HSA on a tax-favored basis without a prescription and expands the definition of "qualified medical expenses" to include menstrual products.
- Direct payments to tax payers of up to \$1,200 and married couples, \$2,400, plus an additional \$500 per child. The payments will be available for incomes up to \$75,000 for individuals and \$150,000 for married couples.
- Expands eligibility for unemployment insurance benefits and offers workers an additional \$600 per week for four months, on top of what State programs pay. It also extends unemployment insurance benefits through December 31st.
- Waives the 10% early withdrawal penalty on 401k withdrawals up to \$100,000 for coronavirus-related purposes, retroactive to January 1. Withdrawals are still taxed.
- Increases the 401k loan limit from \$50,000 to \$100,000.
- Suspends Required Minimum Distributions from 401ks and IRAs for those 72 and older.

We are committed to sharing as much information as possible with you while also abiding by all personal health privacy laws. Federal health privacy laws prohibit the sharing of personal health information including test results for COVID-19.

It is our goal to answer your questions and communicate with you as quickly and efficiently as possible. Please verify that Vigor has your most current address on file. The easiest way to verify your address is by verifying this information on your paystub and/or, for those with access to Kronos, Employee Self Service. If you have updates to your address and do not have access to Kronos, please contact your local HR Support team. Please review the attached document. If you have any questions, please reach out to the assigned contact.