MDA Health Plan Urgent Updates to Ease COVID-19 Disruption

Your MDA Health Plan Board of Trustees is aggressively proactive in protecting the interests of plan sponsors and subscribers during this national crisis. The board met in an emergency session March 18 to take dramatic relief efforts to address three fundamental concerns in the face of the COVID-19 pandemic.

1. Payment Relief

The MDA Health Plan Board of Trustees approved a 50% contribution reduction for April 2020 statements. The adjustment will be applied and a revised notice will be sent to MDA Health Plan groups on Monday, March 23. Those sponsors who have already paid the April contribution will see the 50% reduction on their May statements. This consideration was given to plan sponsors because the board knows many practices are closed or working only emergency cases and that conserving capital is important to our members at this time.

Note: Contribution payment is solely an employer obligation. If the employer chooses to continue paying the contribution for their employees, that will maintain active health coverage. Legal strongly advises that the employer provides clear and up front communication about how the employee contribution will be handled. There are several options to consider:

1) Employer can pay for the employee contribution amount (contribution forgiveness).
2) Prepayment method: Calculate the amount of contribution and have the employee pay it up front out of their next paycheck
3) Employee pays the employer directly, via personal check or money order. The employee would not get the benefit of using pre-tax dollars to pay his or her contribution.
4) Employer pays on employees’ behalf and employees pays the employer back once he or she is back to work – either lump sum or over a period of time.

2. Extending Coverage for Employees on Leave or Terminated

STATE UPDATE: On March 19, the Michigan Department of Labor and Economic Opportunity issued guidance strongly urging employers to put workers on temporary leave rather than terminating them. Employers may tell their employees they are being placed on a temporary or indefinite unpaid leave with return to work expected within 120 days. Advise them that the situation is fluid and subject to change. Tell employees to file for unemployment benefits and indicate on their filing that they are on temporary unpaid leave. Complete the unemployment form found here and give one copy to each affected employee. Click here to link to an Unemployment Insurance Agency fact sheet on filing for benefits. You may wish to refer to this web page for in-depth information on handling leaves.

Under the governor’s order, employers will not be charged for unemployment benefits if their employees become unemployed because of an executive order requiring them to close or limit operations. The MDA believes that such an order affecting dentistry may arrive soon. Keep your eyes open for an announcement about this from the MDA.

Employees on Leave:

Participating employees shall remain eligible to participate in the MDA Health Plan if, due to the Coronavirus National Emergency, they are on an FMLA leave or on paid or unpaid leave as authorized by
their Employer. The terms of any paid or unpaid leave shall be determined by the employer upon authorization of any such paid or unpaid leave.

_employees Terminated:_

In order to allow terminated employees time to establish replacement coverage, participating employees who are terminated from employment due to the Coronavirus National Emergency, will have the option to have their coverage terminate on the **last day of the second** calendar month following the date of termination. Under the previous plan provisions, coverage would be terminated on the last day of employment or at the end of the month in which they were terminated. If you choose not to extend coverage to the last day of the second calendar month following the date of termination, please complete a Change of Status (LINK TO FORM) form and that will initiate the COBRA process. See CORA section below.

**Employee terminations and health plan impact**

Although we urge you to follow the state’s recommendation and place your employees on leave rather than terminating them, you should know that terminated employees are eligible to continue their participation in the MDA Health Plan under COBRA.

**How COBRA works**

Under COBRA, an employee who loses health coverage can choose to pay 102% of the contribution and continue under the plan for a specific period of time, or until new health coverage is obtained. COBRA is triggered when an employee in a qualified group health plan is terminated, dies or is laid off. Loss of employment is the qualifying event that triggers a 44 day period during which our contracted COBRA administrator, Infinisource, must send the affected employee a COBRA Election Notice. The Qualifying Event begins the day there is Loss of Coverage.

Please complete a Change of Status (LINK TO FORM REVA) form for any employee who has been laid off or terminated (not for those on leave). The MDA Health Plan will communicate with Infinisource as soon as your Change of Status form is received. Infinisource will generate and mail the COBRA Election Notice within three business days of receiving the Change of Status report from the MDA Health Plan.

**What will happen when my employees return to work?**

Your employees will again be eligible to participate in the employer-sponsored MDA Health Plan (i.e., end COBRA benefits if elected) immediately if there has been no lapse in coverage. The waiting period to reenter the plan has been waived due to the pandemic.

**Providing Virtual Visits BEFORE Deductibles for All MDA Health Plans**

Michigan has established a COVID-19 hotline. COVID-19 screenings and telephonic visits are free to everyone who calls the COVID-19 Hotline: 616-391-2380.

No-cost, virtual telehealth medical services are being provided to members through at least June 30. This will encourage people to consult with physicians from home using their computers, smartphones, tablets and telephones. By providing no-cost access to “virtual” doctor visits, subscribers with manageable flu-
like symptoms can have their initial consultations with doctors from home, rather than go into doctors’ offices or hospital emergency rooms that are expected to be strained in treating people with severe COVID-19 symptoms.

Virtual visits may be set up through the Priority Health app or by logging into your member center at priorityhealth.com. Download the Spectrum Now app from your device’s app store. These types of care consultations are ideal for rashes, sinus infections, ear aches and other non-urgent health conditions. You’ll describe your symptoms using an online questionnaire and a doctor will diagnose and treat the condition the same day. Behavioral health virtual care remains a separate benefit, covered at the specialist level.

Conclusion

The Coronavirus National Emergency is a rapidly developing situation and information from the state and federal government is constantly changing and being updated. Staff at MDA Insurance is diligently tracking all updates regarding the disease, legislation, travel restrictions and risk assessments from official sources.

Most MDA Insurance employees are working from home until the COVID-19 emergency ends. Office phones have been forwarded to mobile telephones. During this time, we encourage you to call 800-860-2272 and access the company directory to be connected to your usual contacts. If you leave a message, we will make every effort to return your call in a timely manner. We ask for your patience and understanding as we navigate through unprecedented circumstances.