

SUMMARY OF MATERIAL MODIFICATION

Date: April 20, 2020

Plan Administrator: Commonwealth of Kentucky

Plan Name: Kentucky Employees' Health Plan

Plan Year: January 1, 2020, through December 31, 2020

Plan Document Amended: Flexible Benefits Plan

Amendment Summary: Amendment modifies the definition of Medical Expense to allow reimbursement for over-the-counter medications without a prescription and menstrual care products from healthcare Flexible Spending Accounts (FSA)

Description of Amendment: Section 9003 of the Affordable Care Act (ACA) established a rule that prohibited the reimbursement of over-the-counter medicines or drugs without a prescription from a KEHP member's FSA. The definition of "Medical Expense" in the Plan Document reflects the reimbursement prohibition in the ACA.

On March 27, 2020, Congress passed the Coronavirus Aid, Relief and Economic Security Act (the CARES Act), which removed the ACA's reimbursement restrictions on over-the-counter drugs for which there is no prescription. The CARES Act also permitted FSA reimbursement for menstrual care products.

As a result of the changes in the CARES Act, KEHP members with an FSA may submit claims for over-the-counter drugs without a doctor's prescription, as well as menstrual care products, both of which must be purchased after December 31, 2019.

The Commonwealth of Kentucky 2020 Flexible Benefits Plan Document was amended to modify the definition of "Medical Expense" in order to allow reimbursement of over-the-counter drugs without a doctor's prescription, as well as menstrual care products.