



IMPORTANT NOTICE REGARDING HEALTHCARE REFORM Update #105

March 2020

HHS Guidance Addresses COVID-19 Coverage Under Existing Essential Health Benefits Rules

HHS has issued FAQ guidance on whether various COVID-19 items and services are covered as essential health benefits (EHB) under existing rules. As background, non-grandfathered insured health plans in the individual and group markets are required to cover EHB including preventive and wellness services. Although employer-sponsored self-insured health plans and insured large group health plans are not required to cover EHB, the guidance could also impact these plans since they may not impose annual or lifetime dollar limits on any EHB they cover. Here are highlights of the guidance, which was provided before Congress passed COVID-19 legislation:

Diagnosis and Treatment: Observing that hospitalization and laboratory services are required EHB categories, the FAQs advise that EHB generally include coverage for the diagnosis and treatment of COVID-19. The exact coverage and cost-sharing amounts for individual services may vary by plan. According to the FAQs, all 51 EHB-benchmark plans currently provide coverage for the diagnosis and treatment of COVID-19, and many states and plans have announced waivers of cost-sharing and prior authorization requirements for COVID-19-related items and services.

Isolation and Quarantine: The FAQs explain that all EHB-benchmark plans cover medically necessary hospitalizations, and medically necessary isolation and quarantine during a hospital admission, but the cost-sharing and coverage limitations may vary by plan. Also note quarantine in a non-hospital setting, such as in a home is not a EHB. Other medical benefits provided in a home under the supervision of a medical provider (such as home health care or telemedicine) may be covered as EHB.

Vaccines: If the Advisory Committee on Immunization Practices (ACIP) of the Centers for Disease Control and Prevention (CDC) recommends a new vaccine, plans must cover the vaccine without cost-sharing beginning with the first day of the plan year that is 12 months after ACIP issues the recommendation. However, plans may voluntarily choose to cover a COVID-19 vaccine, with or without cost-sharing, before that date.

These FAQs describe coverage requirements under the laws and regulations in effect on Friday, March 13. However, the situation is evolving. Since the FAQs were released, Congress has passed legislation with requirements regarding coverage of services associated with COVID-19.

More Information is available at: <https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/EHB-Benchmark-Coverage-of-COVID-19.pdf>

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