

## **HEALTH CARE REFORM LEGISLATION GUIDANCE ISSUED ON COVERAGE OF PREVENTIVE HEALTH SERVICES APPLICABLE TO NON-GRANDFATHERED HEALTH PLANS**

**July 20, 2010**

On July 14, 2010, the Internal Revenue Service, the Department of Labor, and the Department of Health and Human Services issued another set of interim final rules for group health plans and health insurance coverage in the individual and group markets under the recent health care legislation (the “Rule”). The Rule, which implements Section 2713 of the Patient Protection and Affordable Care Act (the “Affordable Care Act”), Pub. L. 111-148, requires non-grandfathered plans to cover certain preventive care services, and prohibits imposition of any cost-sharing requirements if the services are delivered by an in-network provider. The Rule is effective for the first plan or policy year beginning on or after September 23, 2010.

Because grandfathered plans are not subject to this Rule, plans that wish to retain their protected status and avoid application of the Rule will have to carefully consider whether any changes to the plan will cause a loss of status, and whether the loss of status is worth making the change. In June, the IRS, the DOL, and HHS issued interim final rules for group health plans relating to their status as a grandfathered health plan. You can read our previous alert on that guidance [here](#).

The most significant aspect of the Rule is that a plan is prohibited from imposing a co-payment, co-insurance, or deductible with respect to the following services:

- Immunizations recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention;
- Preventive care and screenings for children recommended by the Health Resources and Services Administration;
- Preventive care and screenings for women recommended by the Health Resources and Services Administration; and
- Services recommended by the United States Preventive Task Force, an independent panel of experts in primary care and prevention appointed by HHS that reviews the evidence of effectiveness and develops recommendations for preventive services.

The Rule also provides guidance and clarification on circumstances when a plan may impose cost-sharing requirements on preventive services, including guidance for handling various billing and tracking scenarios.

Contact Information: If you have questions regarding the effect of the Rule and health care reform on your health plan, please contact [Diane J. Fuchs](#) or [Elisa A. Cawood](#), the principal authors of the alert. You may also contact the Womble Carlyle attorney with whom you usually work, or one of our [Employee Benefits](#) attorneys.

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