IRS Announces 2021 Limits for Health Savings Accounts and High-Deductible Health Plans

“Many of the dollar limits currently in effect for 2020 will change for 2021. The HSA catch-up contribution for individuals age 55 or older will not change as it is not subject to cost-of-living adjustments. A table compares the applicable dollar limits for HSAs and HDHPs for 2020 and 2021.” Full Article

McDermott Will & Emery

COVID-19 Deadline Extensions Are Not Mandatory for Governmental Plans

“Rather than mandating affirmative extensions to plan participants like the Joint Notice did for participants in ERISA plans, HHS has taken the position that it will not consider a non-Federal governmental plan to be in violation of the Public Health Service Act if a non-Federal governmental plan voluntarily decides to grant the extensions described in the Joint Notice. HHS nonetheless encourages plans to grant the extensions.” Full Article

Ice Miller LLP

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“Major takeaways from the new rule include: 1.) the finalization of the user fee rates; 2.) the adoption of new rules regarding special enrollment; 3.) an increased focus on value-based plan designs; 4.) clarification regarding the use of drug manufacturer coupons; 5.) the application of category limitations for dependents; 6.) the treatment of wellness incentives in MLR calculations; and 7.) the implementation of MLR reporting requirements for outsourced activities.”  

Frost Brown Todd LLC

COBRA in the Time of COVID-19

“Employers will have to consider how to address the potential lag in premium payments. For fully-insured health plans, the insurance carrier might require full payment of the COBRA premium by the employer so that coverage does not lapse altogether. For self-funded health plans, employers might continue to pay claims and seek recoupment from the COBRA participant if coverage is retroactively terminated, or they might consider pending claims until the premiums are received. Pending claims might become challenging if the Outbreak Period lasts for several months.”  

Foley & Lardner LLP

The Cost of Healthcare During Retirement: Expectations and Concerns of Older Workers

“Across wealth levels, many workers are concerned about their ability to pay for health expenses in retirement. Yet most individuals have not saved specifically for such costs, nor have they reviewed their employer-provided retiree health care benefits. Those who are unfamiliar with their benefits exhibit higher levels of concern about retiree health care costs. Most people expect to rely primarily on Social Security and/or their retirement plan assets to fund health care costs in retirement.”  

TIAA Institute