

Benefits Bulletin

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The LBL Group

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Coverage of COVID-19 Vaccines: Agencies Issue Interim Final Regulations

As part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) signed into law in March 2020, most group health plans are required to provide no-cost coverage for COVID-19 preventive services, including vaccinations. On **November 6**, the Internal Revenue Service, the Department of Labor, and the Department of Health and Human Services (the Agencies) released interim final regulations to address the details of how plans should provide this coverage.

Mandated Coverage

Under the Affordable Care Act, non-grandfathered health plans are required to cover qualifying preventive care services without cost-sharing. Plans are given one year from the date that recommendation is made by the Centers for Disease Control and Prevention (CDC) to implement newly recommended services.

The CARES Act builds upon this existing requirement by specifically requiring plans to provide no-cost coverage for any item, service, or vaccination intended to prevent or mitigate COVID-19. Importantly, the CARES Act shortens the timeframe within which a plan must implement this coverage from one year to 15 days following CDC's recommendation.

“This coverage mandate is in effect until the end of the public health emergency period.”

Plans must cover the full cost of the vaccine, including administration, whether it is provided by an in-network or out-of-network provider. Cost-sharing may not be imposed on office visits if the primary purpose of the visit is the administration of the vaccine. This coverage mandate is in effect until the end of the public health emergency period.

Employer Action Items

While a COVID-19 vaccine has not yet been made publicly available, plan sponsors should act now to prepare to provide the mandated coverage within 15 days following CDC recommendation.

For sponsors of a fully-insured health plan, the health insurance carrier will be required to take the necessary steps to provide this no-cost coverage. However, sponsors of a self-insured health plan will need to proactively coordinate with the claims administrator or TPA, as well as the stop-loss carrier, to ensure procedures are in place to properly review and pay claims for these benefits. Though grandfathered health plans are not subject to these coverage requirements, the Agencies make clear that they are nevertheless encouraged to follow them.

“A Summary of Material Modification (SMM) may be necessary.”

Finally, all sponsors of health plans, regardless of insured status, will need to review existing Plan Documents and Summary Plan Descriptions to confirm that the materials accurately describe the coverage for COVID-19 vaccinations. A Summary of Material Modification (SMM) may be necessary.

ADDITIONAL RESOURCES

[Interim Final Rule](#)

[CMS Fact Sheet](#)

[CMS Toolkit](#)