



WEDNESDAY, JULY 21, 2010

## HEALTH CARE REFORM UPDATE

### FINAL RULES ISSUED ON HOW TO COVER PREVENTIVE SERVICES UNDER HEALTH CARE REFORM

On July 14<sup>th</sup>, the United States (U.S.) Department of Health and Human Services, U.S. Department of Labor, and U.S. Department of the Treasury (combined "The Departments") issued "interim final regulations" (IFR) regarding preventive services. The regulations lay out how health plans and employers are to cover preventive services at 100 percent — i.e., without charging plan participants a deductible, copay or co-insurance. This information comes at a critical time for employers and other third parties, as the industry in general gears up for the busy annual enrollment season.

To help you prepare and understand these new IFR, our partners at the Washington, D.C.-based law firm Steptoe and Johnson have prepared a detailed memo with examples and full analysis which you can access on our website at:

<http://www.trion.com/healthreform/documents/2010.07.21.PPACAInterimFinalRules-PreventiveCare.Memo.pdf>

As your partner, we remain committed to working closely with you to understand how your plan designs and costs may be impacted and what steps you are required to take to comply with this legislation. While we do recommend reviewing the full memo linked above, we have also included a few key highlights of the IFR below for your immediate reference. As you review, please keep in mind that the new preventive services requirement does not apply to grandfathered plans.

Finally, we hope you continue to find our updates helpful and invite you to review past issues at <http://www.trion.com/healthreform>. Please continue to share your questions and comments by emailing them to us at [health.reform@trion.com](mailto:health.reform@trion.com) or calling **610.945.1198**. Thank you.

The Public Health Service Act (PHSA) Section 2713 as added by the Patient Protection and Affordable Care Act (PPACA), requires that a group health plan and health insurance issuer offering individual or group health insurance coverage provides benefits at 100 percent—without requiring employees to share costs—for the following four categories of preventive services:

1. Services or items with a rating of "A" or "B" in the U.S. Preventive Services Task Force (Task Force) recommendations, with respect to the individual involved. ([Click here to view chart](#))
2. Immunizations for routine use in children, adolescents and adults that have a recommendation in effect from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention. ([Click here to view the four schedules](#))
3. Preventive care and screenings for infants, children and adolescents provided for in the Health Resources and Services Administration (HRSA) guidelines. ([Click here for charts](#)).
4. Preventive care and screening for women as outlined in the comprehensive guidelines supported by HRSA—and not otherwise addressed by the Task Force recommendations. (Please note: Health and Human Services is in the process of developing these guidelines and expects to issue them by August 1<sup>st</sup>, 2011.)

It's important to note that the IFR also clarifies cost-sharing requirements when a recommended preventive service is provided during an office visit:

- If the preventive service is billed separately, or tracked as individual encounter data, cost-sharing may be imposed on the office visit, but **not** on the preventive service.
- If the preventive service is not billed or tracked separately, the cost-sharing imposition will then depend on the primary purpose of the office visit: If it's preventive services, there may be no cost-sharing imposed by the plan or issuer; if it's not to deliver preventive services, cost sharing requirements are allowed.

The IFR also makes it clear that where plans or health insurance coverage involve a network of providers, the plan or issuer is not required to provide coverage for recommended preventive services delivered by out-of-network providers, and in fact, may also impose cost sharing requirements.

Again, the requirements in the IFR apply only to non-grandfathered plans beginning the first plan year on or after September 23, 2010.

If you are interested in viewing the rules in their entirety, please visit:  
<http://www.healthcare.gov/center/regulations/prevention/regs.html>