

COVID-19 Public Health Emergency To End on May 11, 2023

WHAT EMPLOYER SPONSORED HEALTH PLANS NEED TO KNOW

EMPLOYER SPONSORED HEALTH PLANS NEED TO PLAN FOR THE END OF THE COVID-19 PUBLIC HEALTH EMERGENCY

January 30, 2023 marked the 60 days' advance notice from the Biden administration that the COVID-19 Public Health Emergency (PHE) that has been in effect since January 2020 will finally come to an end on May 11, 2023. Employers with Self-Insured Employer-Sponsored Health Plans will have the opportunity to decide what if any changes they need to make to their plans.

PUBLIC HEALTH EMERGENCY BACKGROUND

In January of 2020, the US Department of Health and Human Services (HHS) declared a Public Health Emergency due to the impact of the coronavirus. Multiple extensions of the PHE have occurred since 2020 and now, three years later, the final day of this declaration will be May 11, 2023. HHS has assembled a Fact Sheet titled the COVID-19 [Public Health Emergency Transition Roadmap](#) highlighting key areas that will be impacted by the end of the PHE, and serves as the guideline for plan sponsors.

CONSIDERATIONS FOR EMPLOYER SPONSORED HEALTH PLANS

Changes as of May 11, 2023:

Change	Decision Points	Action Needed
COVID-19 diagnostic testing, and related services without cost-sharing, prior authorization, or other medical management requirements will end. This includes testing administered by providers as well as over-the-counter home test kits.	<ul style="list-style-type: none"> Continue this coverage; Cover all or a portion of coverage; Require a prescription for PCR testing; 	<ul style="list-style-type: none"> Work with your payor to ensure they can process claims based on your decision Plan document updates or amendments to coincide with any changes made to the plan coverage related to COVID-19 testing (kits or lab) Communications to plan participants Post plan change process test claims to ensure the coverage is being paid as intended

CONSIDERATIONS FOR EMPLOYER SPONSORED HEALTH PLANS (CONT.)

Changes as of May 11, 2023:

Change	Decision Points	Action Needed
<p>COVID-19 vaccines without cost sharing will continue to be covered however, this may be interrupted for people seeking care from out-of-network providers or who are in a grandfathered plan once the federally supported supply of vaccines is depleted.</p>	<ul style="list-style-type: none"> ▪ <i>Determine the cost sharing amount for out of network providers administering vaccines</i> 	<ul style="list-style-type: none"> ▪ <i>Work with your payor to ensure they can process claims based on your decision</i> ▪ <i>Assess plan expense to cover the vaccines</i> ▪ <i>Note: The CARES Act still requires plans to continue to cover in-network COVID-19 vaccines as a no-cost preventive service</i> ▪ <i>Post plan change process test claims to ensure the coverage is being paid as intended</i>
<p>Individuals may face cost sharing for COVID-19 therapeutics and medication(s).</p>	<ul style="list-style-type: none"> ▪ <i>Cover all or part of COVID-19 therapeutics (Paxlovid)</i> 	<ul style="list-style-type: none"> ▪ <i>Work with your payor to ensure they can process claims based on your decision</i> ▪ <i>Communication to plan participants</i> ▪ <i>Plan document amendment</i> ▪ <i>Post plan change process test claims to ensure the coverage is being paid as intended</i>
<p>For consumer-driven health plans, pre-deductible coverage for telehealth services telehealth flexibilities have been extended through December 31, 2024. Note: If your CDH plan is non-calendar year, there may be a gap in the application of this provision between January 1st and March 31st.</p>	<ul style="list-style-type: none"> ▪ <i>Determine if your plan will include the extension</i> 	<ul style="list-style-type: none"> ▪ <i>Work with your payor to ensure they can process claims based on your decision</i> ▪ <i>Plan document amendment</i> ▪ <i>Remember to remove the coverage at the end of the period if it is not extended</i> ▪ <i>Communicate to plan participants</i> ▪ <i>Post plan change process test claims to ensure the coverage is being paid as intended</i>
<p>Standalone telehealth benefits and other remote care services for plan participants who are not eligible for major medical coverage will no longer be permissible.</p>	<ul style="list-style-type: none"> ▪ <i>Review free or pre-deductible telehealth services to participants enrolled in non-HDHP coverage</i> 	<ul style="list-style-type: none"> ▪ <i>Address and communicate as necessary</i>
<p>Mental Health Parity and Addiction Equity ACT (MHPAEA)</p>	<ul style="list-style-type: none"> ▪ <i>Were compliance changes made?</i> 	<ul style="list-style-type: none"> ▪ <i>Review your compliance efforts as certain enforcement actions were suspended during the Public Health Emergency</i>

IMPORTANT DEADLINES

Plan sponsors should note that the following deadlines will revert to their shorter pre-pandemic lengths:



- The 30-day period (or 60-day period, if applicable) to request HIPAA special enrollment.
- The 60-day election period for COBRA continuation coverage.
- The date for making COBRA premium payments.
- The date for individuals to notify the plan of a COBRA qualifying event or new disability.
- The date for plan sponsors and administrators to provide a COBRA election notice (typically within 14 days after the plan receives notice of a qualifying event).
- The date within which individuals may file a benefit claim under a plan's claims procedures.
- The deadlines for requesting internal and external appeals for adverse benefits determinations.

SUMMARY

- Work with your advisors to determine if extending any imminent deadlines to minimize the impact on participants and beneficiaries is right for your plan.
- Either limit free or pre-deductible telehealth services to participants enrolled in non-HDHP coverage or limit free or pre-deductible telehealth to services that do not constitute significant benefits in the nature of medical care.
- Consider requiring employees enrolled in the HDHP to pay fair market value for telehealth services before meeting their deductibles.
- Communicate any changes to employees and dependents as necessary.

Optimum encourages all employer plan sponsors to consult with your carriers, third-party administrators, and legal counsel prior to making any changes to your group health plans as a result of the COVID-19 PHE period ending. As with any plan design change, we recommend Post plan change process test claims to ensure the coverage is being paid as intended

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