

CARES Act Allows More Flexibility Regarding Health Care Coverage for Individuals Impacted by COVID-19

Alert

03.28.2020

By Lisa Rippey and Tom Dowling

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which addresses the public economic and health crisis related to the 2019 novel coronavirus (COVID-19). The CARES Act includes relief to individuals in the health and welfare space. Below is a high-level summary of the health and welfare-related provisions contained in the CARES Act.

COVERAGE OF TESTING AND PREVENTIVE SERVICES

The CARES Act requires that group insurance plans and health insurance issuers cover all testing for COVID-19, as well as qualifying coronavirus preventive services without cost sharing. With respect to testing, insurers are required to pay either the amount set forth in a contract between the health care provider and insurer, or a cash price posted by the health care provider if there is not a contract. A "qualifying coronavirus preventive service" is an item, service or immunization that is intended to prevent COVID-19, and (1) has a rating of "A" or "B" in the current recommendations of the U.S. Preventive Services Task Force; or (2) is an immunization that is recommended from the Advisory Committee on Immunization Practices. The coverage must be provided within 15 business days after the recommendation was made.

TELEHEALTH COVERAGE AND HEALTH SAVINGS ACCOUNTS

In an effort to help healthcare providers better respond to the needs of individuals who have contracted the COVID-19 virus, and to minimize the risk of exposure for other patients and healthcare providers, the CARES Act allows a high-deductible health plan (HDHP) to cover telehealth services, including non-

CARES Act Allows More Flexibility Regarding Health Care Coverage for Individuals Impacted by COVID-19

COVID-19-related services, prior to satisfying the plan's deductible. This is significant because an individual with an HDHP that covers these costs on a first-dollar basis may continue to contribute to a health savings account (HSA) as an eligible individual. This provision applies to plan years beginning on or before December 31, 2021.

OVER-THE-COUNTER MEDICAL PRODUCTS CONSIDERED QUALIFYING MEDICAL EXPENSE

Patients are now allowed to purchase over-the-counter medical products (including menstrual products) without obtaining a prescription from Health Flexible Spending Account (FSA), Health Reimbursement Arrangement (HRA) and HSA funds. This provision applies to expenses incurred after December 31, 2019.

CONTACTS

Thomas R. Dowling

Lisa M. Rippey

RELATED CAPABILITIES

Employee Benefits

Insurance & Health Plans

Labor, Employment & Benefits

STINSON

STINSON LLP \ STINSON.COM