

Department of Labor Posts New Health Reform FAQs

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New FAQs clarify that employers do not have to comply with the automatic enrollment rules of healthcare reform until regulations are issued. In addition, the 60-day prior notice requirement for material modifications to group health plans is not effective until March 23, 2012, when plans are required to provide the new summary of benefits and coverage explanation. The FAQs also provide that if a plan has a deductible or out-of-pocket limit that is based on a formula using a percentage of the employee's compensation formula, that arrangement will not cause the plan to lose its grandfathered status as long as the formula remains the same (even if the employee's compensation increases). Finally, although healthcare reform generally requires non-grandfathered group health plans to provide coverage for recommended preventive services without cost sharing, it is permissible for a group health plan to impose a copayment on a preventive service performed at an in-network outpatient hospital setting], but not imposed if performed at an in-network ambulatory surgery center, provided that the copayment is waived for individuals for whom it would be medically inappropriate to have the preventive service performed in the ambulatory setting. The FAQs are available [here](#).