

Group Fixed Indemnity Notice Rule Remains Vacated

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PRACTICES Employee Benefits and Executive Compensation

As we previously reported [here](#), the U.S. Departments of Health and Human Services, Treasury, and Labor (the “**agencies**”) issued regulations providing that, for plan years beginning on or after January 1, 2025, fixed-indemnity insurance in the group market must provide a notice explaining that it is not health insurance (the “**Notice Requirement**”). In December 2024, the U.S. District Court for the Eastern District of Texas vacated the Notice Requirement finding that it exceeded statutory authority. In February 2025, the agencies appealed the district court decision to the U.S. Court of Appeals for the Fifth Circuit. However, the agencies recently requested that the appeal be dismissed, which request the Fifth Circuit court granted as of June 10, 2025. This means that the Notice Requirement remains vacated and no longer in force.

The case is *ManhattanLife Ins. and Annuity Co., et al. v. U.S. Dept. of HHS, et al.*, No. 25-40072 (5th Cir. June 10, 2025).