

New Legislation Extends Relief for Telehealth Coverage Prior to Satisfying HDHP Deductible

March 22, 2022

The Consolidated Appropriations Act of 2022 ("**CAA**"), enacted on March 15, 2022, extends the optional relief previously provided under the CARES Act regarding the ability of a high deductible health plan ("**HDHP**") to cover telehealth services without application of the deductible. Under the CARES Act relief, which applied to plan years beginning on or before December 31, 2021, a participant in an HDHP that adopted the relief could obtain pre-deductible telehealth services without compromising his or her ability to make contributions, or have contributions made, to a health savings account. See our prior blog post about the CARES Act relief [here](#).

The extension of the telehealth relief under the CAA is not retroactive to January 1, 2022, but instead is effective only for months beginning after March 31, 2022, and before January 1, 2023, thus creating a gap in the relief for calendar year plans (and certain non-calendar year plans) during the January 1 to March 31, 2022 timeframe.

As with the CARES Act relief, the relief for telehealth services under the CAA is optional. Employers that want to adopt the CAA relief should contact their third-party claims administrator (for self-funded plans) or insurance carriers (for fully-insured plans) to ensure that partial year relief can be administered. In addition, employers must communicate with employees and determine whether a plan amendment and SPD update for the HDHP are required. Cafeteria plans that provide for a health flexible spending account option that is compatible with health savings account participation (*i.e.*, a "limited purpose health flexible spending account") may also require an amendment to permit continued reimbursement of telehealth expenses under such option.

The CAA is available [here](#).