

Proposed Regulations Regarding Coverage of Certain Preventive Services Under PPACA

February 15, 2013

The federal Departments of Health and Human Services, Treasury, and Labor (collectively, the “Departments”) issued proposed regulations (“Proposed Regulations”) that were published on February 6, 2013. The Proposed Regulations amend rules previously enacted under the Patient Protection and Affordable Care Act, as amended (“PPACA”), which required coverage for certain preventive health services (“Prior Rules”), including certain women’s contraceptive services, without cost sharing under non-exempt, non-grandfathered group health plans and health insurance coverage. The Proposed Regulations simplify the definition of “religious employers,” which are exempt from the contraceptive coverage requirement, to generally mean churches, other houses of worship, and their affiliated organizations, regardless of the religious affiliation of their served communities or of their employees. The Proposed Regulations also create an accommodation for certain non-profit, religious “eligible organizations,” whereby an eligible organization would not be required to contract, arrange, pay, or refer for any contraceptive coverage to which the eligible organization objects on religious grounds. Under the accommodation, contraceptive coverage would instead be provided to employees of the eligible organization, without cost sharing, through separate individual health insurance policies that would be facilitated directly by the insurers for fully-insured plans or in tandem with the plans’ third-party administrators and insurance issuers for self-funded plans. The Proposed Regulations establish contraceptive-only coverage as a new category of “excepted benefits” under PPACA, but require such coverage to meet certain basic consumer protection requirements of PPACA, including the prohibition on lifetime and annual dollar limits as well as the internal appeal and external review requirements. The comment period for the Proposed Regulations closes on April 8, 2013, and the Departments expect to issue final regulations by the end of the first plan year that begins on or after August 1, 2013. The proposed regulations can be found [here](#).