

## Proposed Rules Would Include Wraparound Coverage in Definition of Excepted Benefits

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The U.S. Departments of Labor, Health and Human Services, and the Treasury have issued proposed rules that would amend the definition of excepted benefits to include certain limited wraparound coverage. The proposed rules would allow group health plan sponsors, in limited circumstances, to offer wraparound coverage to employees who are purchasing individual health insurance in the private market, including through the Health Insurance Marketplace. The rules propose two pilot programs for wraparound coverage. One pilot program would allow wraparound coverage only for Multi-State Plans in the Health Insurance Marketplace. The other pilot program would allow wraparound coverage for those part-time workers who could otherwise qualify for a flexible spending arrangement and purchase individual health insurance in the private market. The proposed rules should assist certain employees who otherwise may not have access to generous employer-based benefits. The proposed rules are available [here](#).