

LEGAL UPDATE

Health Plan Coverage for Coronavirus (COVID-19) Testing

As the COVID-19 outbreak continues to spread, employers may get questions from employees about their health plan's coverage for COVID-19 testing, including whether they will need to pay a deductible or copayment. This is a rapidly evolving issue, with many health insurance issuers announcing that they will voluntarily waive any cost sharing for COVID-19 testing.

A new federal law may be passed in the future requiring health plans and health insurance issuers to cover COVID-19 testing without cost sharing. (This requirement is included in the [coronavirus relief bill](#) that was passed by the House of Representatives on March 14, 2020.) In the meantime, employers should consult with their plan's issuer or benefits administrator regarding their health plan's coverage for COVID-19 testing.

Federal Guidance

The federal government has released the following guidance on health plan coverage for COVID-19 testing:

- Insured health plans in the individual and small group markets must cover COVID-19 diagnosis and treatment as an [essential health benefit](#), although the exact coverage details and cost-sharing amounts may vary by plan.
- [High deductible health plans](#) (HDHPs) that are compatible with HSAs can pay for COVID-19 testing and treatment before an individual has met the plan's minimum deductible for the year.

State Requirements

Many state insurance commissioners are requiring or encouraging health insurance issuers to waive cost sharing for COVID-19 testing. For example, [California](#), [New York](#), [Washington](#) and [Massachusetts](#) have directed issuers to cover COVID-19 testing without imposing any deductibles, copayments or other cost sharing.

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Key Points

- A new federal law may be passed that will require group health plans and issuers to cover COVID-19 testing without cost sharing.
- Some states already require issuers to cover COVID-19 testing without imposing deductibles or other cost sharing.
- The IRS has clarified that HDHPs may provide first dollar coverage for COVID-19 testing without jeopardizing their status as HSA-compatible.

Employers should check with their plan's issuer or benefits administrator about coverage for COVID-19 testing.

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