

REFORM UPDATE

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CLARIFICATIONS ON THE ACCOMMODATION PROCESS FOR CONTRACEPTIVE SERVICES COVERAGE

The Centers for Consumer Information and Insurance Oversight (CCIIO) recently released a bulletin clarifying the process for covering contraceptive services.

The Departments of Health and Human Services and Treasury (the Departments) recently released interim rules expanding exemptions from the requirement for non-grandfathered plans to cover contraceptive services. The details were explained in our *Reform Update* at <http://mcgrawwentworth.com/wp-content/uploads/Reform-Update-136.pdf>.

Before this new guidance, organizations that did not want to cover specific contraceptive services had to notify their health plan vendor or the Department of Health and Human Services (DHHS). The health plan vendor then had to offer coverage for those contraceptive services directly to the plan's participants. These new rules make that accommodation process optional.

This bulletin clarifies notification issues for organizations that revoke the accommodation process. The revocation might occur either because the accommodation process was just made voluntary or an organization implements the accommodation process and later decides to revoke it. The new rules require organizations to notify plan participants the accommodation process has been discontinued within a specific time period.

This bulletin clarifies the following issues:

- The new rules require the health plan vendor to notify participants that the accommodation process is discontinued. The Bulletin states that either health plan vendors or employers can notify participants.
- Once they notify plan participants, employers can revoke the accommodation on the first day of the first plan year beginning on or after 30 days. This timing remains true in the bulletin, but employers that notify employees through an amended Summary of Benefits and Coverage (SBC) will have different time limits. Group health plans listing contraceptive benefits in the SBC can revoke the accommodation within 60 days after they issue a revised SBC showing the change in benefits. Even if the health plan did not list contraceptive benefits in the SBC, it can revoke the accommodation within 60 days if it includes the information in a revised SBC. This is possible as long as it is consistent with any other applicable law or contract provision that affects benefits.

These clarifications apply only to employers that have religious or moral objections to covering specific contraceptive services and are permitted to discontinue coverage for those services due to religious or moral objection. Also, they apply only if the employer at some point had to or chose to implement the accommodation process. The change must be made on the first day of the plan year if the employer uses the standard 30-day notification process. If the employer notifies employees through an amended SBC, the plan change can be made mid-plan year assuming the employer provides the 60 days notice SBC rules require.

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