Preventive Care

Overview

PPACA requires non-grandfathered plans to provide coverage for “preventive care.” This coverage must be provided without cost sharing (e.g., coinsurance, deductible or copayment). Interim final regulations were issued on July 14, 2010 and further clarify the requirements for preventive care.

Does PPACA require coverage of preventive care?
All non-grandfathered group health plans (insured and self-funded) and non-grandfathered individual policies issued or renewed on or after September 23, 2010 must cover preventive services without cost share (e.g., coinsurance, deductible or copayment).

What services are considered preventive care?
PPACA defines preventive care services as follows:

- Items or services recommended with an A or B rating by the U.S. Preventive Services Task Force
- Immunizations recommended by the Advisory Committee on Immunization Practices of the CDC
- Preventive care and screenings for infants, children and adolescents supported by the Health Resources and Services Administration
- Preventive care and screenings for women supported by the Health Resources and Services Administration (further guidelines to be developed by HHS by August 1, 2011).

A complete listing of recommendations and guidelines can be found at: www.HealthCare.gov/center/regulations/prevention.html

We will provide plan sponsors with our list of covered preventive services, which have been updated to comply with the PPACA requirement.

How often will plans be expected to review and update the listings of recommended preventive services?
The website provided above will keep an updated listing. Plans are only required to provide coverage and waive cost-sharing requirements for preventive services that are in this listing. When new recommendations or guidelines are adopted, a plan is not required to make changes to coverage or cost-sharing until the first plan year/policy year beginning one year after the effective date of the new recommendation or guideline. For example, recommendations/guidelines issued prior to 9/23/09 must be provided for plan years beginning on or after 9/23/10.

Do the requirements apply to both in-network and out-of-network services?
No, plans are not required to provide coverage for recommended preventive services delivered by out-of-network providers. Cost-sharing may be applied for recommended preventive services delivered by an out-of-network provider.

Do the requirements apply to other preventive services that are included as a benefit under the plan?
No, a plan is not required by PPACA or the regulations promulgated under it to provide coverage or waive cost-sharing requirements for any item or service that is not on the compilation of recommended preventive services.
If preventive care is provided during an office visit, can cost-sharing requirements be imposed?
It depends on the situation. For preventive services that must be covered, an office visit cost-share may apply to the office visit (a) if the preventive service is billed separately (or is tracked as individual encounter data separately) from the office visit, or (b) if the primary purpose of the office visit is other than the delivery of preventive service and the preventive service is not billed separately (or is not tracked as individual encounter data separately) from the office visit.

An office visit cost-share may not be applied to the office visit if (a) the preventive service is not billed separately (or is not tracked as individual encounter data separately) from the office visit and (b) the primary purpose of the visit is the delivery of the preventive service.

Is medical management of preventive services permitted?
Yes, plans may apply reasonable medical management techniques to determine frequency, treatment, or setting for a recommended preventive service to the extent not specified in the recommendation or guideline.

Have guidelines been established for value-based insurance designs?
PPACA gives the federal agencies the authority to develop guidelines for plans and issuers to utilize value-based insurance designs as part of their offering of preventive services. These guidelines are currently being developed.