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## Health Care Reform: Preventive Care Regulations Summary

In March, President Obama signed the Patient Protection and Affordable Care Act (PPACA) and the Health Care and Education Reconciliation Act of 2010 (HCERA), together referred to as the Act. This e-alert is the latest in a series of e-alerts and describes additional information about preventive care.

On July 19, 2010, the Internal Revenue Service (IRS), Department of Labor (DOL) and Department of Health and Human Services (HHS) issued regulations implementing the preventive care benefits mandated by the PPACA. This mandate applies to non-grandfathered plans as of the first day of the first plan year beginning on or after September 23, 2010.

#### **Basic Rule**

Non-grandfathered group health plans must provide benefits, without imposing cost-sharing requirements, for preventive care as specified by the regulations.

### **Effect on Provider Networks**

Non-grandfathered group health plans only need to provide the mandated preventive care benefits when preventive care is rendered by in-network providers. For preventive care rendered by out-of-network providers, a group health plan can either exclude the mandated preventive care benefits entirely or impose cost-sharing requirements on them.

#### **Covered Preventive Services**

A complete list of recommendations and guidelines for the preventive services that must be covered pursuant to these rules is available on <u>Healthcare.gov</u>.

Newly added services do not need to be covered immediately, as they are issued as recommendations or guidelines. The law requires an interval of not less than one year between the issuance of the recommendations or guidelines and the plan year for which coverage of the newly listed services must be in effect. **POSTED:** 

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### **Preventive Services Provided During Office Visit**

If a recommended preventive service is billed separately (or is tracked as individual encounter data separately) from an office visit, then a plan can impose cost-sharing requirements on the office visit.

If a recommended preventive service is not billed separately (or is not tracked as individual encounter data separately) from an office visit and the primary purpose of the office visit is the delivery of such an item or service, then a plan cannot impose cost-sharing requirements on the office visit.

If a recommended preventive service is not billed separately (or is not tracked as individual encounter data separately) from an office visit and the primary purpose of the office visit is not the delivery of such an item or service, then a plan can impose cost-sharing requirements on the office visit.

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