



COMPLIANCE BULLETIN

MANDATORY COVERAGE OF COVID-19 VACCINES UNDER GROUP HEALTH PLANS

On December 11, 2020, the Food and Drug Administration (FDA) issued an Emergency Use Authorization for the Pfizer-BioNTech COVID-19 vaccine (Pfizer vaccine). The following day, December 12, 2020, the Centers for Disease Control Advisory Committee on Immunization Practices (ACIP) issued an interim recommendation for use of the Pfizer vaccine in persons age 16 years or older for the prevention of COVID-19. Alternative COVID-19 vaccines are likely to be approved by the FDA under emergency authority in the coming weeks. Group health plans are encouraged to prepare to cover the cost of the Pfizer and other approved COVID-19 vaccines.

Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), non-grandfathered individual and employer-sponsored group health plans are required to cover the entire cost of preventative services by not imposing cost-sharing in the form of deductibles, copays, coinsurance or other amounts on the following:

- An item, service, or immunization that is intended to prevent or mitigate the coronavirus disease and is an evidence-based item or service that has a rating of “A” or “B” in the current recommendations of the United States Preventive Services Task Force (USPSTF); and
- An immunization that is intended to prevent or mitigate the coronavirus disease that has a recommendation from ACIP with respect to the individual involved.

The CARES Act requires that the above services be covered as preventive care 15 business days after the date on which a recommendation is made by the USPSTF or ACIP relating to the service. Accordingly, non-grandfathered individual and group health plans must cover the Pfizer vaccine as preventive care no later than January 1, 2021 (based on the December 12, 2020, recommendation from ACIP). Plans are required to cover subsequently approved COVID-19 vaccines within 15 days of recommendation from the USPSTF or ACIP as well.

ACIP has recommended that only health care personnel and residents of long-term care facilities receive the vaccine in the initial phase (Phase 1a) of the COVID-19 vaccination program. During Phase 1b, the vaccine will be distributed to essential workers such as members of the education sector, food and agriculture, utilities, police, firefighters, corrections officers, and transportation. During Phase 1c, the vaccine will be distributed to adults with high-risk medical conditions and adults aged 65 years or older.

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Employers should ensure that their non-grandfathered group health plans, whether self-insured, or fully insured through carriers, are prepared to cover COVID-19 vaccines as provided under the CARES Act and that the plan documents reflect such coverage. Further, participant communications should be distributed that provide information regarding the availability of COVID-19 vaccinations with no cost-sharing. Non-grandfathered plans are not required to cover COVID-19 vaccines under the CARES Act. However, employers with such plans should review their plan documents to determine whether COVID-19 vaccines are or should be covered.

For questions, please contact Innovative Benefit Planning at icomply@ibpllc.com.



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