

COMPLIANCE ALERT

TELEHEALTH EXEMPTION FOR HIGH DEDUCTIBLE HEALTH PLANS RESTORED THROUGH END OF 2022

Telehealth Exemption for High Deductible Health Plans Restored Through End of 2022

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) of 2020, implemented a rule that allowed High Deductible Health Plans (HDHPs) to provide telehealth services to participants without meeting the deductible imposed for HDHP plans and *without restricting a participants ability to make contributions to an HSA*. The exemption applied to plan years that began on or before December 31, 2021.

On March 15, 2022, President Biden signed into law the Consolidated Appropriations Act of 2022 - returning these exceptions from April 1, 2022 until the end of 2022.

Typically, when a participant is in an HDHP with an HSA, the participant may not contribute or receive contributions to their HSA *if the HDHP provides benefits before the minimum statutory deductible is satisfied*.*

The Consolidated Appropriations Act of 2022 amends two provisions of the HSA rules as noted in Code § 223:

- 1) Individuals with HSA accounts will not lose eligibility to contribute to their HSA because the Act disregards coverage of telehealth and other remote care services. **
- 2) Plans will be allowed to provide telehealth and other remote care services to subscribers in a high deductible health plan before the minimum HDHP deductible is met. The plan will not lose its HDHP status.**

The amendments are without regard to plan year (only to the 9 months starting April 1 and running through December 31, 2022). If a calendar year plan is in place, minimum deductibles would need to be applied to telehealth and remote services for the months of January 1 - March 31, 2022. These provisions are optional and an HDHP will not be required to waive deductibles that would apply to telehealth services.

* *This rule only applies to medical care or treatment and not to preventative, dental or vision care*

** *This provision begins April 1, 2022 and will be allowed through December 31, 2022*