



## GROUP HEALTH COVERAGE FOR COVID-19 VACCINE

As we are potentially days away from the emergency use authorization of the first COVID-19 vaccine submitted to the Food and Drug Administration (FDA), this is a good time to clarify the impact of the vaccine on employer-provided group health plans.

Group health plans are generally required to cover the cost of federally approved vaccines without cost sharing under the Affordable Care Act (ACA) preventive services mandate. Vaccines subject to this requirement are those approved by the Centers for Disease Control (CDC) Advisory Committee on Immunization Practices (ACIP). Usually, when a new vaccine is added to ACIP's recommendations, plans must update their coverage for that vaccine in the plan year following the date on which the CDC adopts that recommendation. However, section 3203 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) requires that non-grandfathered employer-sponsored health plans subject to the ACA's preventive services standards cover a coronavirus vaccine without cost sharing within 15 days after it is recommended by ACIP, rather than the usual timeframe.

On October 28, 2020, the Centers for Medicare and Medicaid Services (CMS) issued an Interim Final Rule with Comment Period (IFC-4) regarding coverage of COVID-19 vaccines. During the public health emergency (which currently ends on January 22, 2021, but is expected to be extended), employer-provided health insurance plans will be required to cover the costs of administration of an ACIP-recommended COVID-19 vaccine even if an out-of-network provider administers it. IFC-4 also states that Medicare's payment rate will be considered a reasonable rate for administration of a COVID-19 vaccine. Vaccine providers will be prohibited from balance billing vaccine recipients. The cost of the vaccine itself is being born at present by the federal government, which has advance purchased millions of vaccine doses.

The Kaiser Family Foundation (KFF) has published an excellent and exhaustive [Issue Brief](#) on COVID-19 vaccine coverage, [pricing](#) and reimbursement. Additionally, CMS has issued a [Toolkit](#) for health insurance providers. We recommend reviewing these resources, in addition to addressing questions to your Keenan employee benefits consultant.

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