



# Benefits WEEKLY DIGEST

February 5, 2020

## HHS Releases Proposed Benefit & Payment Parameters for 2021

"The proposed regulations would require excepted benefit health reimbursement arrangements (excepted benefit HRAs) sponsored by non-federal governmental plan entities to provide participants a notice containing specified information about the benefits available under the excepted benefit HRA. HHS's proposals would increase the maximum annual cost-sharing limit for 2021. The proposals would change how drug manufacturer coupons accrue towards the ACA's annual cost-sharing limit. The proposals also include a rule to promote the accuracy of medical loss ratio (MLR) reporting and rebate calculations." [Full Article](#)

*Thomson Reuters Practical Law*



## Deadline is Approaching for Group Health Plan Service Agreement Updates

"Recent changes to the federal rules governing confidentiality of substance use disorder (SUD) patient records may require updates to agreements between group health plans and their third-party vendors. Group health plans may be caught up in the changes if they wind up in possession of certain SUD patient records and disclose those records to their vendors for the plan's payment and health care operations. Plans should speak with their vendors to confirm whether they receive such records and, if so, whether their contracts already include the required language or need to be updated going forward." [Full Article](#)

*Seyfarth*

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## ACA Litigation Round-Up: A Status Check

“The Supreme Court will issue at least two ACA-related decisions before the end of its current term: one on the risk corridors program and the other on religious or moral exemptions to the contraceptive mandate. Both decisions are expected before July 2020 and could have implications that extend beyond the ACA.” [Full Article](#)

*Katie Keith, in Health Affairs*

### IRS Confirms That Cafeteria Plans Need Not Permit Midyear Election Changes

“IRS [Information Letter 2019-0028](#) responds to an inquiry regarding an employee whose request to make a DCAP election change due to a 'disrupted or unforeseeable child care environment' was denied because it did not occur during the plan's open enrollment period. This information letter does not break new ground or include any surprises. But it may provide helpful support when explaining a plan's operating rules or decisions.” [Full Article](#)

*Thomson Reuters/EBIA*

### Supreme Court to Opine on ERISA Preemption as Applied to State Regulation of Pharmacy Benefit Managers

“In granting certiorari, the Supreme Court is poised to resolve a conflict over PBM regulation. The D.C. and Eighth Circuits hold that all PBM regulation is preempted, while the First Circuit holds that none is preempted. The decision in *Rutledge* also, hopefully, will clarify the scope of ERISA preemption by adding to over fifteen Supreme Court decisions on what it means for a state law to 'relate to' an ERISA plan.” [Full Article](#)

*Seyfarth*



## Cost and Satisfaction: Traditional vs. High-Deductible Health Plan Enrollees

“The percentage of the population with a high deductible has continued to increase. Traditional plan users prioritized low out-of-pocket costs, whereas HDHP users reported that low premiums were more important than out-of-pocket costs when selecting their plan. HDHP enrollees were less satisfied with the number of health plan choices offered than traditional enrollees.” [Full Article](#)

*Employee Benefit Research Institute*

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