
March 18, 2020

FAQs on Catastrophic Plan Coverage and the Coronavirus Disease 2019 (COVID-19)

Q1. Do catastrophic plans currently include coverage for the diagnosis and treatment of COVID-19?

A1. Yes. Catastrophic plans must cover the essential health benefits (EHB) as required by section 1302(b) of the Patient Protection and Affordable Care Act (PPACA), subject to certain limitations. However, the exact coverage details and cost-sharing amounts for individual services may vary by plan, and some plans may require prior authorization before these services are covered. EHB generally includes coverage for the diagnosis and treatment of COVID-19. For general information about EHB coverage of COVID-19, please refer to the FAQs on Essential Health Benefit Coverage and the Coronavirus (COVID-19).¹

While catastrophic plans are required to cover EHB, they are also subject to certain limitations under section 1302(e) of the PPACA that address catastrophic plan coverage of EHB, including related cost-sharing requirements. A catastrophic plan may not provide coverage of EHB before an enrollee meets their catastrophic plan deductible for that applicable plan year, except as follows: (1) a catastrophic plan must provide coverage for at least three primary care visits per year before reaching the deductible, and (2) in accordance with section 2713 of the Public Health Service Act (PHS Act), a catastrophic plan may not impose any cost-sharing requirements (such as a copayment, coinsurance, or deductible) for preventive services.

Q2. In light of the public health emergency posed by COVID-19, will HHS allow issuers of catastrophic plans to provide coverage for the diagnosis and treatment of COVID-19 even before enrollees meet plan deductibles?

A2. Yes. To facilitate the nation's response to COVID-19, until further notice, HHS will not take enforcement action against any health insurance issuer that amends its catastrophic plans to provide pre-deductible coverage for services associated with the diagnosis and/or treatment of COVID-19.²

HHS encourages states to take a similar enforcement approach and would not consider a state to have failed to substantially enforce section 1302(e) of the PPACA if it takes such an approach.

¹ FAQs on Essential Health Benefit Coverage and the Coronavirus (COVID-19) (March 12, 2020), *available at* <https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/EHB-Benchmark-Coverage-of-COVID-19.pdf>.

² Issuers are generally not permitted to modify the health insurance coverage for a product mid-year under 45 CFR 147.106. However, HHS will not take enforcement action against any health insurance issuer that changes the benefits or cost-sharing structure of its plans mid-year to provide pre-deductible coverage for services related to the diagnosis and/or treatment of COVID-19, and encourages states to do the same. This non-enforcement does not apply to actions issuers take to limit or eliminate non-COVID-19 benefits to offset the costs of increasing the generosity of COVID-19 benefits.