



TO: Our Valued Clients and Brokers
FROM: Health Plans, Inc.
DATE: October 3, 2022
RE: Compliance eBlast: Plan Changes For 2023

Health Plans, Inc. (HPI) is issuing this Compliance *eBlast* to notify and highlight for you regulatory updates for the upcoming 2023 plan year, as well as global changes HPI will be applying to some or all clients' plans as part of our ongoing enhancements to our administrative practices. Please note the following:

- For Affordable Care Act (ACA) and Internal Revenue Service (IRS) Qualified High Deductible Health Plans (QHDHPs), changes are effective for plan years beginning on or after January 1, 2023.
- For Massachusetts Creditable Coverage, changes are effective on January 1, 2023.
- The IRS typically announces adjusted annual limits for Health Flexible Spending Accounts (FSAs) and the Parking and Transit account limits in October each year. While the projected limits have been released, the final amounts have not been issued. HPI will send out a separate Compliance Alert when the adjusted annual limits are finalized along with instructions on how to contact HPI to request updates to your plan(s).

Please do not reply to this email. Please contact the HPI Account Service Team directly if you have questions.

2023 STATUTORY LIMITS

- **Massachusetts Minimum Creditable Coverage (MCC)**

MCC Maximum Deductibles (except IRS QHDHPs, see below)

Individual \$2,850	(changed from \$2,750 in 2022; \$100 increase)
Family \$5,700	(changed from \$5,500 in 2022; \$200 increase)

MCC Maximum Prescription Deductibles (when the prescription benefit plan has a separate prescription deductible)

Individual \$350	(changed from \$340 in 2022; \$10 increase)
Family \$700	(changed from \$680 in 2022; \$20 increase)

MCC Out-of-Pocket Maximums (OOPM)

Individual: \$9,100	(changed from \$8,700 in 2022; \$400 increase)
Family: \$18,200	(changed from \$17,400 in 2022; \$800 increase)

- **Affordable Care Act (ACA)**

ACA Out-of-Pocket Maximums (OOPM) (applies to all plans except IRS QHDHPs, see below)

Individual: \$9,100	(changed from \$8,700 in 2022; \$400 increase)
Family: \$18,200	(changed from \$17,400 in 2022; \$800 increase)
Individual Embedded OOPM: \$9,100	(changed from \$8,700 in 2022; \$400 increase)

- **IRS QHDHPs**

Minimum Deductibles

IRS HSA-QHDHP Minimum Deductible Amounts:

Individual: \$1,500	(changed from \$1,400 in 2022; \$100 increase)
Family: \$3,000	(changed from \$2,800 in 2022; \$200 increase)
Minimum Embedded Individual Deductible: \$3,000	(changed from \$2,800 in 2022; \$200 increase)

Out-of-Pocket Maximums (OOPM)

Individual: \$7,500	(changed from \$7,050 in 2022; \$450 increase)
Family: \$15,000	(changed from \$14,100 in 2022; \$900 increase)
Individual Embedded OOPM: \$9,100	(changed from \$8,700 in 2022; \$400 increase)

- **Expanded Coverage for Certain Insulin Products Before Meeting IRS QHDHP Minimum Deductible**

- As part of the Inflation Reduction Act of 2022, and effective for plan years beginning on or after December 31, 2022, QHDHPs will be permitted to cover, in addition to glucometers, a broader range of insulin related equipment such as vials, pumps and inhalers for those with chronic conditions, prior to satisfaction of the deductible without adversely affecting a participant's eligibility to contribute to a Health Savings Account (HSA).
 - HPI will automatically incorporate this update under QHDHPs on a client's plan year start date beginning on or after December 31, 2022 (with the exception of those QHDHPs that did not elect to cover certain equipment and tests/screenings for covered persons with certain chronic conditions).

UNITED STATES PREVENTIVE SERVICES TASK FORCE (USPSTF) RECOMMENDATIONS

HPI will continue to automatically update Non-Grandfathered Health Benefit Plans (NGF) for the following USPSTF Recommendations as required under the Affordable Care Act (ACA):

- Lung Cancer Screenings - decrease minimum age from 55 to 50 for NGF plans for 2023 plan years through March 1, 2023.
- Colorectal Screenings - decrease minimum age from 50 to 45 for NGF plans for plan years through June 1, 2023.
 - In accordance with USPSTF standards, HPI implements new or revised recommendations **on the first plan year beginning on or after one year following** the issuance from the USPSTF.

COST SHARING FOR TELEMEDICINE SERVICES UNDER IRS QHDHPS

HPI will reapply cost sharing for non-COVID-19 related health care services provided via telehealth providers for all HSA-Qualified High Deductible Health Plans on January 1, 2023, regardless of 2023 Plan Year Start Date.

- This change is based on the expiration of the IRS safe harbor provisions that allowed QHDHPs to cover non-COVID-19 related health care services provided via telehealth providers with no member cost sharing without affecting that Plan's classification under Internal Revenue Service rules as a QHDHP from April 1, 2022 through December 31, 2022. HPI will continue to monitor for any additional/new safe harbors due to the continuing COVID-19 federal emergency.

NON-REGULATORY UPDATES

HPI routinely reviews our plan provisions and document templates to ensure plan language and benefits reflect newer regulatory provisions or updates in administrative practices. Oftentimes these updates are automatic upon a client's upcoming plan year, while others require direction from you, as the Plan Sponsor, on how to administer a benefit.

HPI Care Management Services Precertification Requirements

- The recommended list of procedures/services that require precertification is periodically reviewed by HPI and its affiliates. Changes to requirements are based on analysis of data, including volume and cost, as well as the ability to impact cost management by requiring a precertification. In addition, precertification of a procedure/service can be an early indicator to flag other HPI programs, including Case Management.

- As a result of a recent review of the recommended list of procedures/services, HPI will be updating precertification requirements for clients' plans that use HPI Care Management Services (CMS) to conduct utilization management services. **These changes do not affect plans using any other entity besides CMS for utilization management services.**

Automatic updates to precertification requirements on clients' plans will include:

- Precertification for non-emergent spine surgeries and for total hip/knee/shoulder/ankle replacements.
- Precertification for non-urgent/emergent air ambulance transport services.
- Precertification for non-home sleep studies.
- Revisions to durable medical equipment (DME) requirements list, including requiring precertification required for neuromuscular stimulator equipment and removing precertification for transcutaneous electric nerve stimulation (TENS) units.

Gene Therapy

- Gene therapy is an emerging therapy for treating or preventing disease by altering the genetic instructions within an individual's cells.
- Progress has accelerated in recent years, and multiple viable techniques and applications for gene therapy have emerged as well as approval of several gene and cell therapies by the Food and Drug Administration (FDA).
- For all the potential of gene therapy, the high cost of the technique may present a significant financial challenge to Plan Sponsors.
 - HPI Account Managers will be contacting clients in the upcoming months to request direction as to whether you, as a Plan Sponsor, wish to include gene therapy as a covered service under your plan(s) or exclude coverage.

Regards,

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The information in this Compliance eBlast is intended to provide a summary of our understanding of recent regulatory developments which may affect our clients' plans. It should not be construed as specific legal advice or legal opinion.