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Preventive Services Covered by Private Health Plans under the Affordable Care Act

The Affordable Care Act (ACA) requires private insurers (including self-funded employers) – with the exception of so-called “grandfathered” plans – to cover certain preventive services without any patient cost-sharing. With proper preventive care, health problems can often be identified earlier, managed more effectively, and treated before they develop into more complicated, debilitating illness. Research has shown that evidence-based preventive services can in many cases save lives, and that some services are also cost-effective.ⁱ

Despite long-standing recommendations for use of evidence-based preventive services for a wide range of health conditions, actual utilization varies substantially (Figure 1). While a number of factors contribute to use of preventive services, out-of-pocket costs in the form of copayments and deductibles can act as a barrier, keeping even the insured from seeking recommended screenings, counseling, and immunizations.ⁱⁱ

NEW PREVENTION REQUIREMENTS

Under the ACA, private health plans¹ must provide coverage for a range of preventive services and may not impose cost-sharing (such as copayments, deductibles, or co-insurance) on patients receiving these services. The ACA requires private plans to provide coverage for services under four broad categories: evidence-based screenings and counseling, routine immunizations, childhood preventive services, and preventive services for women. A summary of these preventive services is presented in Table 1.

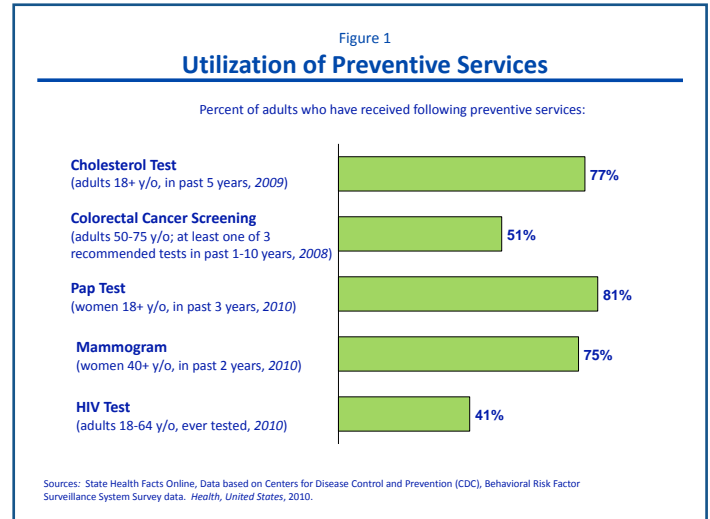
I. EVIDENCE-BASED SCREENINGS AND COUNSELING

Insurers will provide coverage for evidence-based items or services that have a rating of “A” or “B” in the current recommendations of the United States Preventive Services Task Force (USPSTF), an independent panel of clinicians and scientists. An “A” or “B” letter grade indicates that the panel finds there is high certainty that the services have a substantial or moderate net benefit. The services required to be covered without cost-sharing include screening for depression, diabetes, cholesterol, obesity, various cancers, HIV and sexually transmitted infections, as well as counseling for drug and tobacco use, healthy eating, and other common health concerns.

II. ROUTINE IMMUNIZATIONS

Health plans must also provide coverage without cost-sharing for immunizations that are recommended and determined to be for routine

¹ Note that the rules described in this fact sheet apply to private insurers, self-insured employer plans, and are separate from preventive requirements for public programs like Medicare or Medicaid.



use by the Advisory Committee on Immunization Practices, a federal entity comprised of immunization experts. These guidelines require coverage of immunizations for influenza, meningitis, tetanus, HPV, hepatitis A and B, measles, mumps, rubella, and varicella.

III. PREVENTIVE SERVICES FOR CHILDREN AND YOUTH

The ACA provides specifically for the preventive health needs of children, requiring private insurers to cover without cost-sharing the preventive services recommended by the Health Resources and Services Administration's (HRSA's) Bright Futures Project, which provides evidence-informed recommendations to improve the health and wellbeing of infants, children, and adolescents. The preventive services to be covered for children and adolescents include the immunization and screening services described in the previous two categories, behavioral and developmental assessments, iron and fluoride supplements, and screening for autism, vision impairment, lipid disorders, tuberculosis, and certain genetic diseases.

IV. PREVENTIVE SERVICES FOR WOMEN

In addition to the evidence-based screening, counseling, and routine immunizations services described above, the ACA authorizes the federal Health Resources and Services Administration (HRSA) to make additional coverage requirements for preventive services for women. Based on recommendations from a committee of the Institute of Medicine (IOM),ⁱⁱⁱ federal regulations will require insurers to cover a range of women's preventive services without cost-sharing, including annual well-woman visits, testing for STIs and HIV, support for breast feeding, and screening and counseling for domestic violence. The requirements also include all FDA-approved contraception methods (including sterilization procedures) as prescribed by a clinician, as well as patient education and counseling on contraception. The regulations

propose that plans sponsored by certain religious employers be exempt from the contraception coverage requirements.

COST-SHARING

So long as the preventive service is performed by an in-network provider, is not billed separately from the office visit, and is the main reason for the office visit, then the visit and the preventive service will be covered by the insurer without cost-sharing. The circumstances under which insurers may charge copayments and use other forms of cost-sharing include:

- If the office visit and the preventive service are billed separately, the insurer may still impose cost-sharing for the office visit itself.
- If the primary reason for the visit is not the preventive screening, patients may have to pay for the office visit.
- If the service is performed by an out-of-network provider, insurers may charge patients for the office visit and the preventive service.

If the frequency with which plans should provide coverage for a given preventive service is not specified in the guidelines, insurers can use reasonable judgment based on established medical practices to make coverage decisions.^{iv}

APPLICABILITY

These requirements will apply to all private plans – including individual, small group, large group, and self-insured plans in which employers contract administrative services to a third party payer – with the exception of those plans that maintain “grandfathered” status. In order to have been classified as “grandfathered,” plans must have been in existence prior to March 23, 2010 and cannot make significant changes to their coverage (for example, increasing patient cost-sharing, cutting benefits, or reducing employer contributions). Plans that lose their grandfather status must then abide by the preventive service requirements of the ACA. HHS expects 45% of large employer plans and 60% of small employer plans to relinquish their grandfathered status by 2013.^v

The federal government is developing guidelines that will apply to value-based insurance designs (plans that include incentives for patients to use more high value, evidence-based services). When finalized, these additional guidelines will provide direction on how value-based plans should cover preventive services.

The requirement that insurers must provide coverage for preventive services in the first three categories of recommendations above (i.e. USPSTF recommended services with grades “A” or “B,” immunizations recommended by the ACIP, and childhood preventive services

supported by the Bright Futures program) went into effect for non-grandfathered plans with plan-years beginning on or after September 23, 2010. Beginning August 1, 2012, non-grandfathered insurers will also be required to cover the additional services recommended for women’s preventive health care.

As state-based insurance Exchanges begin operations, leading up to 2014, individual and small group plans in these new marketplaces will also be required to cover an essential health benefit package – in addition to the full range of preventive requirements described in this fact sheet.

ECONOMIC IMPACT

The exact effect that these new requirements will have on premiums is likely to vary greatly from state to state and plan to plan, as some plans already cover many preventive services and several states already have laws mandating coverage for insured plans. Of the 29 states with immunization coverage mandates, for example, 18 require coverage without a deductible and 12 require coverage without copayment.^{vi}

The effect of required preventive coverage on health insurance premiums will also vary from service to service based on the cost of the added utilization of preventive services and the effectiveness at reducing future costly illnesses. Reducing out-of-pocket costs could in some cases be cost-saving by encouraging broader use of preventive services, therefore improving worker productivity and preventing the development of costly illnesses over time. For example, HHS estimates that obesity prevention services could decrease premiums by 0.05 to 0.1 percent by reducing the rate of obesity amongst enrollees. Conversely, by eliminating cost-sharing and reducing barriers to access, the new rules may in some cases result in higher premiums due to increased utilization of preventive services that is not fully offset by future cost savings from the prevention of illness. Taking all these factors into account, HHS estimates that premiums will increase by approximately 1.5 percent on average in non-grandfathered plans due to required coverage of prevention services (other than additional recommendations related to women’s health).^{vii}

ⁱ Maciosek, Michael V. “Greater Use Of Preventive Services In U.S. Health Care Could Save Lives At Little Or No Cost.” *Health Affairs* 29.9 (2010): 1656-660.

ⁱⁱ Bernstein, Jill. “Encouraging Appropriate Use of Preventive Health Services.” Mathematica Policy Research Inc., May 2010.

ⁱⁱⁱ “Clinical Preventive Services for Women: Closing the Gaps.” Institute of Medicine, 19 July 2011. Web. <<http://www.iom.edu/Reports/2011/Clinical-Preventive-Services-for-Women-Closing-the-Gaps.aspx>>.

^{iv} Department of Health and Human Services. “Preventive Regulations.” <http://www.healthcare.gov/center/regulations/prevention/regs.html>

^v Ibid.

^{vi} Ibid.

^{vii} Ibid.

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Table 1: Summary of Selected Preventive Services that will be Covered by Non-Grandfathered Private Plans without Cost Sharing Requirements

Cancer	Chronic Conditions	Immunizations	Health Promotion	Pregnancy-Related**	Reproductive Health
<ul style="list-style-type: none"> • Breast cancer <ul style="list-style-type: none"> - Mammography (women 40+*) - Genetic (BRCA) screening and counseling (women at high risk) - Preventive medication counseling (women at high risk) • Cervical cancer <ul style="list-style-type: none"> - Pap testing (risk assessment for adolescents; women 18+, sexually active with cervix) - High-risk HPV DNA testing[□] (women 30+ with normal pap results) • Colorectal cancer <ul style="list-style-type: none"> - One of following: fecal occult blood testing, colonoscopy, sigmoidoscopy (adults 50-75) 	<ul style="list-style-type: none"> • Cardiovascular health <ul style="list-style-type: none"> - Hypertension screening (risk assessment in infants, measurement children 3+; adults 18+) - Lipid disorders screenings (children risk assessment 2+: men 35+; women 45+; younger adults at high risk) - Aspirin (men 45-79; women 55-79) • Obesity <ul style="list-style-type: none"> - Screening (children 6+, all adults) - Counseling and behavioral interventions (obese children, adults) - Body mass index (BMI) (children 2+) • Type 2 Diabetes screening (adults w/ elevated blood pressure) • Depression screening (adults and adolescents, when follow up supports available) • Osteoporosis screening (all women 65+, women 60+ at high risk) 	<ul style="list-style-type: none"> • DTaP (children 15-18 months, 4-6 years) • <i>Haemophilus influenzae</i> type b (children 12-18 months) • Hepatitis A (children 12-23 months, 2-18 years w/risk factors; adults 19+ w/ risk factors) • Hepatitis B (children newborn-18 months, 7-18 years; adults 19+ w/ risk factors) • HPV (women 11-26) • Inactivated Poliovirus (children 6-18 months, 4 years+) • Influenza (yearly) (children 6+ months and adults) • Meningococcal (children 11-12 , 2-18 w/risk factors; adults 19+ w/ risk factors) • MMR (children 1-18 years; adults 19-49; 50+ w/risk factors) • Pneumococcal (children 12-18 months, 2 years+ w/risk factors; adults 19-64 w/risk factors) • Td booster, Tdap (children 11-18 years; adults 19-64) • Varicella (children 12-18 months, 2 years+ w/risk factors; adults 19+) • Rotavirus (children 2-8 months) • Zoster (adults 60+) 	<ul style="list-style-type: none"> • History and physical exams (children newborn-adolescents 21 years) • Measurements: Length/height, weight, head circumference, weight for length (children newborn+) • Vision and hearing screenings/assessment (children newborn+) • Metabolic/hemoglobin, phenylketonuria, sickle cell, congenital hypothyroidism screenings (newborn) • Gonorrhea prophylaxis (newborn) • Anemia screening, supplements (children 6 months+) • Lead screening (children risk assessment and/or test 6 mo.- 6 years) • Tuberculin screening (children risk assessment 1 month+) • Oral health – risk assessment, referral to dental home, (children 6 months - 6 years) • Developmental screenings and surveillance (children newborn-adolescence) • Alcohol misuse screening and counseling (risk assessment adolescents 11+; all adults) • Tobacco counseling and cessation interventions (all adults) • Intensive healthy diet counseling (adults w/high cholesterol, CVD risk factors, diet-related chronic disease) • Interpersonal and domestic violence screening, counseling[□] (women) • Well-woman visits[□] (women 18-64) 	<ul style="list-style-type: none"> • Prenatal visit • Alcohol misuse screening and counseling • Tobacco counseling and cessation interventions • Rh incompatibility screening • Gestational diabetes screenings[□] <ul style="list-style-type: none"> - 24-28 weeks gestation - First prenatal visit (women at high risk for diabetes) • Screenings for pregnant women <ul style="list-style-type: none"> - Hepatitis B - Chlamydia (<24, high risk) - Gonorrhea - Syphilis - Bacteriurea • Folic acid supplements (women w/ reproductive capacity) • Iron deficiency anemia screening • Breastfeeding supports <ul style="list-style-type: none"> - Counseling - Consultations with trained provider[□] - Equipment rental[□] 	<ul style="list-style-type: none"> • STI and HIV counseling (sexually-active adolescents, adults at high risk; all sexually-active women[□]) • Screenings <ul style="list-style-type: none"> - Chlamydia (sexually active women <24 years old, older women at high risk) - Gonorrhea (sexually active women at high risk) - Syphilis (adults at high risk) - HIV (adolescents and adults at high risk; all sexually active women[□]) - STIs (risk assessment for adolescents) • Contraception (all women w/ reproductive capacity)[□] *** <ul style="list-style-type: none"> - All FDA-approved contraceptive methods as prescribed - Sterilization procedures - Patient education and counseling

Notes: Age ranges are meant to encompass the broadest range possible. Each service may only be covered for certain age groups or based on risk factors. For specific details on recommendations, please consult the websites listed below.

*The ACA defines the recommendations of the USPSTF regarding breast cancer services to “the most current other than those issued in or around November 2009.” Thus, coverage for mammography is guided by the 2002 USPSTF guideline.

** Services in this column apply to all pregnant or lactating women, unless otherwise specified. ***Certain religious employers exempt from this requirement.

[□] Recommendation from HRSA Women’s Preventive Services. Coverage without cost sharing in “non-grandfathered” plans begins August 1, 2012. Coverage without cost sharing for all other services went into effect Sep. 23, 2010.

Sources: U.S. DHHS, “Recommended Preventive Services.” Available at <http://www.healthcare.gov/center/regulations/prevention/recommendations.html>. More information about each of the items in this table, including details on periodicity, age, risk factors, and specific tests and procedures are available at the following websites:

USPSTF: <http://www.uspreventiveservicestaskforce.org/recommendations.htm>; Bright Futures: <http://brightfutures.aap.org/pdfs/AAP%20Bright%20Futures%20Periodicity%20Sched%20101107.pdf>;

ACIP: <http://www.cdc.gov/vaccines/pubs/ACIP-list.htm#comp>; <http://www.cdc.gov/vaccines/recs/schedules/downloads/child/0-18yrs-11x17-fold-pr.pdf>; HRSA Women’s Preventive Services: <http://www.hrsa.gov/womensguidelines/>