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The Individual OOP Maximum Really, Really Applies

HHS is holding firm on its position regarding the embedded individual out-of-pocket maximum, even though many have questioned whether this position is consistent with the clear language of the statute. Reports indicate that in a recent letter to members of the National Coalition on Benefits, HHS reinforces that, beginning in 2016, consistent with guidance issued in May (at http://www.dol.gov/ebsa/faqs/faq-aca27.html), group health plans, including self-insured plans and grandfathered plans, must cover a participant's expenses at 100% once that individual reaches the individual out-of-pocket maximum ($6,850, in 2016). This applies regardless of what tier of coverage in which the individual is enrolled (employee plus one, employee and children, family, etc.). This rule also applies to high deductible health plans, which is not a violation of the HDHP tax code requirements. Prior to this rule, high deductible health plans provided that benefits were payable at 100% only after the entire family satisfied the family OOP maximum. Employers should review their plans, particularly any high deductible health plans, to confirm that the plan contains an embedded OOP maximum for individuals, regardless of coverage tier, beginning in 2016.