



What every HR leader should know about compliance, *at a glance*



Mandatory Coverage of COVID-19 Vaccines under Group Health Plans

1-Minute Read

Update: ACIP recommended the Moderna vaccine and revised the vaccine distribution phases.

On December 11, 2020, the Food and Drug Administration (FDA) issued an Emergency Use Authorization for the Pfizer-BioNTech COVID-19 vaccine (Pfizer vaccine). The following day, December 12, 2020, the Centers for Disease Control Advisory Committee on Immunization Practices (ACIP) issued an [interim recommendation](#) for use of the Pfizer vaccine in persons age 16 years or older for the prevention of COVID-19.

On December 18, 2020, the FDA issued an Emergency Use Authorization for the Moderna COVID-19 (mRNA-1273) vaccine (Moderna vaccine). The following day, December 19, 2020, ACIP issued an [interim recommendation](#) for use of the Moderna vaccine in persons age 18 or older for the prevention of COVID-19.

Alternative COVID-19 vaccines are likely to be approved by the FDA under emergency authority in the coming weeks. Group health plans are encouraged to prepare to cover the cost of the Pfizer, Moderna, and other approved COVID-19 vaccines.

Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), non-grandfathered individual and employer-sponsored group health plans are required to cover the entire cost of preventative services by not imposing cost-sharing in the form of deductibles, copays, coinsurance or other amounts on the following:

- An item, service, or immunization that is intended to prevent or mitigate the coronavirus disease and is an evidence-based item or service that has a rating of “A” or “B” in the current recommendations of the United States Preventive Services Task Force (USPSTF); and
- An immunization that is intended to prevent or mitigate the coronavirus disease that has a recommendation from ACIP with respect to the individual involved.



The CARES Act requires that the above services be covered as preventive care 15 business days after the date on which a recommendation is made by the USPSTF or ACIP relating to the service. Accordingly, non-grandfathered individual and group health plans must cover the Pfizer vaccine as preventive care no later than January 5, 2021 (based on the December 12, 2020, recommendation from ACIP), and the Moderna vaccine as preventive care no later than January 12, 2021 (based on the December 19, 2020, recommendation from ACIP).

ACIP has [recommended](#) that only health care personnel and residents of long-term care facilities receive the vaccine in the initial phase (Phase 1a) of the COVID-19 vaccination program.

ACIP previously recommended that during Phase 1b, the vaccine should be distributed to essential workers such as members of the education sector, food and agriculture, utilities, police, firefighters, corrections officers, and transportation. ACIP has [revised](#) this recommendation so that during Phase 1b the vaccine should be offered to persons aged 75 years or older and frontline essential workers (non-health care workers).

ACIP previously recommended that during Phase 1c, the vaccine should be distributed to adults with high-risk medical conditions and adults aged 65 years or older. ACIP has revised this recommendation (see link above) so that during Phase 1c, the vaccine should be offered to persons aged 65 to 74 years old, persons aged 16 to 64 years old with high-risk medical conditions, and essential workers not recommended for vaccination in Phase 1b.

Phase 2 includes all other persons aged 16 years or older that are not included in Phases 1a, 1b, or 1c.

Employers should ensure that their non-grandfathered group health plans, whether self-insured, or fully insured through carriers, are prepared to cover COVID-19 vaccines as provided under the CARES Act and that the plan documents reflect such coverage. Further, participant communications should be distributed that provide information regarding the availability of COVID-19 vaccinations with no cost-sharing. Grandfathered plans are not required to cover COVID-19 vaccines under the CARES Act. However, employers with such plans should review their plan documents to determine whether COVID-19 vaccines are or should be covered.

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