
March 12, 2020

FAQs on Essential Health Benefit Coverage and the Coronavirus (COVID-19)

Q1. Do the Essential Health Benefits (EHB) currently include coverage for the diagnosis and treatment of COVID-19?

A1. Yes. EHB generally includes coverage for the diagnosis and treatment of COVID-19. 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. Non-grandfathered health insurance plans purchased by individuals and small employers, including qualified health plans purchased on the Exchanges, must provide coverage for ten categories of EHB.¹ These ten categories of benefits include, among other things, hospitalization and laboratory services. Under current regulation, each state and the District of Columbia generally determines the specific benefits that plans in that state must cover within the ten EHB categories. This standard set of benefits determined by the state is called the EHB-benchmark plan. All 51 EHB-benchmark plans currently provide coverage for the diagnosis and treatment of COVID-19.²

Many health plans have publicly announced that COVID-19 diagnostic tests are covered benefits and will be waiving any cost-sharing that would otherwise apply to the test. Furthermore, many states are encouraging their issuers to cover a variety of COVID-19 related services, including testing and treatment, without cost-sharing, while several states have announced that health plans in the state must cover the diagnostic testing of COVID-19 without cost-sharing and waive any prior authorization requirements for such testing.

Q2. Is isolation and quarantine for the diagnosis of COVID-19 covered as EHB?

A2. All EHB-benchmark plans cover medically necessary hospitalizations. Medically necessary isolation and quarantine required by and under the supervision of a medical provider during a hospital admission are generally covered as EHB. The cost-sharing and specific coverage limitations associated with these services may vary by plan. For example, some plans may require prior authorization before these services are covered or may apply other limitations. Quarantine outside of a hospital setting, such as a home, is not a medical benefit, nor is it required as EHB. However, other medical benefits that occur in the home that are required by and under the supervision of a medical provider, such as home health care or telemedicine, may be covered as EHB, but may require prior authorization or be subject to cost-sharing or other limitations.

¹ Grandfathered health plans are health plans that were in existence as of March 23, 2010, the date of enactment of Patient Protection and Affordable Care Act (PPACA), and that are only subject to certain provisions of PPACA, as long as they maintain status as grandfathered health plans under the applicable rules.

² For information on the EHB-benchmark plans, see: <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb>.

Q3. When a COVID-19 vaccine is available, will it be covered as EHB, and will issuers be permitted to require cost-sharing?

A3. A COVID-19 vaccine does not currently exist. However, current law and regulations require specific vaccines to be covered as EHB without cost-sharing, and before meeting any applicable deductible, when the Advisory Committee on Immunization Practices (ACIP) of the Centers for Disease Control and Prevention (CDC) recommends them. Under current regulations, if ACIP recommends a new vaccine, plans are not required to cover the vaccine until the beginning of the plan year that is 12 months after ACIP issues the recommendation. However, plans may voluntarily choose to cover a vaccine for COVID-19, with or without cost-sharing, prior to that date.

In addition, as part of a plan's responsibility to cover prescription drugs as EHB, as described above to cover ACIP-recommended vaccines, if a plan does not provide coverage of a vaccine (or other prescription drugs) on the plan's formulary enrollees may use the plan's drug exceptions process to request that the vaccine be covered under their plan, pursuant to 45 CFR 156.122(c).