GROOM LAW GROUP

Publications

Maxing Out: Guidance on Out-of-Pocket Maximums

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Starting this year, the Patient Protection and Affordable Care Act (ACA) prohibits group health plans from imposing an out-of-pocket maximum (OOP max) that exceeds statutory limits.

Once an individual has met the plans OOP max, the plan must pay 100% of covered benefits. This requirement applies to plan years that started on or after this January 1, except with respect to grandfathered plans.

The Department of Health and Human Services (HHS) has issued regulations in the context of exchange-qualified health plans, but these regulations do not apply directly to other group health plans, such as Employee Retirement Income Security Act (ERISA) plansÑalthough it can be viewed as analogous guidance. The agencies have not provided regulations applicable to group health plans, but have issued several Q-and-As. The most recent were released in January and May of this year and can be found at www.dol.gov/ebsa/faqs (see Parts XVIII and XIX).

In the attached article, the authors answer several questions group health plans may have that have been addressed in the agency Q-and-As.

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