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## MEMORANDUM

**TO:** Jennifer Kaseman, Director of Constituency Programs and Services

**CC:** Jonathan Rubin, Director of Field and Affiliated Services  
Regional Staff Directors

**FROM:** Ken DeStefano, LRS-Health Insurance

**RE:** **Coronavirus: Health Insurance Implications**  
High Deductible Health Plans and  
Medicare Beneficiaries

**DATE:** March 13, 2020

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In the face of the current Coronavirus outbreak, this memo clarifies impacts that members may encounter regarding: 1) High Deductible Health Plans; and, 2) Medicare Benefits.

### **Summary**

1. High Deductible Health Plans will NOT forfeit their “Qualified” status if they waive otherwise mandatory deductibles;
2. Medicare beneficiaries’ benefits will continue to be strong and, in some cases, improved.

### **Analysis**

#### **High Deductible Health Plans**

High Deductible Health Plans (HDHP’s) cannot provide beneficiaries with cost-saving tools such as Health Savings Accounts (HSA’s) unless they are deemed “Qualified.” To be deemed a qualified “High Deductible Health Plan” in 2020, the plan must have a minimum individual deductible of \$1,400 and family deductible of \$2,800.

A beneficiary enrolled in a HDHP must fully pay the deductible before any insurance coverage begins. However, recently released IRS Notice 2020-15 (attached) authorizes a Qualified HDHP to waive or reduce the \$1,400/\$2,800 deductible prior to coverage for Coronavirus testing and treatment without losing “Qualified” status. Simply, the plan can waive or reduce the deductible for Coronavirus testing and treatment, but it does not have to.

As stated in the IRS Notice, this notice is a response to the current outbreak, and is designed to remove barriers to testing and treatment.

## Medicare Beneficiaries

Many NYSUT retirees currently receive Medicare (or Medicare Advantage) benefits. Medicare Advantage Plans must cover everything that Medicare Plans cover, but they may do so with different costs and restrictions.

The Centers for Disease Control and Prevention (CDC) has identified older adults and people with serious chronic conditions like heart disease, diabetes, and lung disease as being at higher risk from the virus. Accordingly, many of our retired members may benefit from information about their Medicare (or Medicare Advantage) benefits.

The following chart is designed to answer some of the basic questions NYSUT retirees may have regarding their coverage:

<b>Medicare and Coronavirus</b>	
Testing	Covered under Part B as a clinical lab test
Vaccine	There is no current vaccine, but, if one is developed, it will be covered under Part D
Rx Refills	If a member wants to refill prescriptions early so they have extra medication on hand, contact the Part D Drug Plan to see if extra approvals are required
Inpatient Hospital	Covered Under Part A
Outpatient	Covered Under Part B as a clinical lab test
Skilled Nursing Facility	Covered Under Part A
Physicians' Services in the home	Covered Under Part B
Telehealth Services	Generally only covered in rural areas, however some of these restrictions have been waived

Further, plans are being given the option of making additional changes, as set forth below:

<b>Medicare and Coronavirus: Optional Changes</b>	
\$0 Copay Charge	Coronavirus tests
\$0 Copay Charge	Coronavirus treatments in doctor's offices, emergency rooms or telehealth
	Remove prior authorization requirements
	Expand access to certain telehealth services
	Remove prescription refill limits
	Relax restrictions on home or mail delivery of prescription drugs

Additional information can be found at the Medicare Rights Center using the following link:  
[https://blog.medicarerights.org/what-you-need-to-know-about-medicare-coverage-and-the-response-to-coronavirus/?utm\\_source=Medicare+Rights+Center&utm\\_campaign=305ba9f290-Medicare+Watch+3+12+2020&utm\\_medium=email&utm\\_term=0\\_1c591fe07f-305ba9f290-85073717&mc\\_cid=305ba9f290&mc\\_eid=075a229ea1](https://blog.medicarerights.org/what-you-need-to-know-about-medicare-coverage-and-the-response-to-coronavirus/?utm_source=Medicare+Rights+Center&utm_campaign=305ba9f290-Medicare+Watch+3+12+2020&utm_medium=email&utm_term=0_1c591fe07f-305ba9f290-85073717&mc_cid=305ba9f290&mc_eid=075a229ea1)