



Government Funding Bill Extends Telehealth Flexibility, Sunsets Mental Health Parity Opt-Out

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On December 29, 2022, President Biden signed into law the Consolidated Appropriations Act, 2023 (the Act). While the Act is primarily intended to fund the government through September 2023, it also includes numerous policy provisions that impact private industry.

This Aon bulletin discusses two health law provisions in the Act and what employers should do now:

- **Extension of Telehealth Relief for High-Deductible Health Plans (HDHPs).** HDHPs can continue to offer access to telehealth and other remote care services without adversely impacting an HDHP participant's ability to make or receive contributions to a health savings account (HSA). Existing provisions that provided this relief were scheduled to end December 31, 2022. The relief now applies to plan years beginning after December 31, 2022, and before January 1, 2025. For calendar year plans, this covers the 2023 and 2024 plan years. It's also worth noting that the Act extended Medicare reimbursement of telehealth services for two years as well.
- **Sunset of Governmental Plan Opt-Out of Mental Health Parity.** Nonfederal governmental plan sponsors will no longer be able to make elections for their group health plan to be excluded from mental health parity requirements. Existing elections expiring on or after 180 days after enactment of the Act may not be renewed—such plans will need to be in compliance with mental health parity laws thereafter.

The Act also includes enhanced protections for pregnant and breastfeeding employees under federal employment law and includes the SECURE 2.0 Act, which makes significant changes to employer retirement plans.

Action Steps for Employers

Plan sponsors of HDHPs paired with HSAs that wish to offer the extended telehealth relief to participants must amend their plans to provide for the pre-deductible telehealth coverage and issue a summary of material modifications or revised summary plan description to communicate the change to plan participants.

Nonfederal governmental plan sponsors who previously made an election for their group health plan to be excluded from mental health parity requirements should work with insurers and/or third-party administrators to evaluate necessary changes to the affected plan. Bringing a plan into compliance may involve eliminating lifetime limits, modifying annual limits, and modifying other design elements following an evaluation of the plan's financial requirements and treatment limitations on mental health and substance use disorder benefits. The plan will also be subject to enhanced disclosure obligations.

Resources

The full text of the Consolidated Appropriations Act, 2023 is available [here](#).



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