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IRS Provides Coronavirus Deductible and Coinsurance Exception for HDHPs

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Please note: The below information may require updating, including additional clarification, as the COVID-19 pandemic is dynamic and continues to develop. Please monitor this site and/or your email for updates.

Today, the IRS issued [Notice 2020-15](#) that allows a high deductible health plan (HDHP) to provide first dollar coverage for both testing and treatment of the coronavirus. This means that claims for testing and treatment may be paid at 100% prior to the HDHP deductible being satisfied. Coronaviruses are a large family of viruses that are common in people and many different species of animals. The Centers for Disease Control (“CDC”) have named the current coronavirus as COVID-19, commonly referred to as the “coronavirus” or “COVID-19.”

Based on existing preventive care guidance, HDHPs have been allowed to treat screening / testing for other various infectious diseases as preventive care. Therefore, most practitioners and employers had already assumed that screening / testing for the coronavirus would be considered as “preventive care” by the IRS, thereby allowing HDHPs to cover screening and testing at 100% prior to the deductible. However, today’s announcement goes further by also allowing coronavirus treatment to be covered at 100% prior to the deductible being satisfied. Treatment of a medical condition has never been allowed as preventive care in the past. To avoid disturbing existing HDHP rules, today’s announcement of the HDHP coronavirus exception is based on public health policy and not the preventive care exception. Therefore, the HDHP preventive care rules remain unchanged by today’s announcement.

The above announcement comes on the heels of various similar announcements last week by Health and Human Services (“HHS”) classifying coronavirus screening and testing as an “essential health benefit” under the ACA. Various states have also issued rulings requiring coronavirus screening and testing to be covered at 100% by insured plans within the applicable state.