

HIPAA Certificates No Longer Required in 2015

Effective for plan years beginning on or after **Jan. 1, 2014**, the Affordable Care Act (ACA) prohibits group health plans and issuers from imposing pre-existing condition exclusions (PCEs) on any enrollees. Prior to 2014 plan years, the ACA prohibited PCEs for enrollees under 19 years of age. The ACA's restrictions on PCEs apply to both grandfathered and non-grandfathered plans.

On Feb. 24, 2014, the Departments of Health and Human Services, Labor and the Treasury (Departments) issued a [final rule](#) that addresses how the ACA's prohibition on PCEs affects the requirement to provide HIPAA Certificates of Creditable Coverage (HIPAA Certificates).

The final rule **eliminates the requirement to provide HIPAA Certificates, beginning Dec. 31, 2014.**

HIPAA PCE RESTRICTIONS (PLAN YEARS BEGINNING BEFORE JAN. 1, 2014)

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) includes rules regarding portability of health coverage, which are designed to help individuals transition from one source of health coverage to another. HIPAA's portability provisions limit exclusions for pre-existing conditions, prohibit discrimination based on health status and provide for special enrollment opportunities.

For plan years beginning before Jan. 1, 2014, HIPAA allowed plans and issuers to exclude pre-existing conditions from coverage, but placed significant limitations on those exclusions. For example, under HIPAA, PCEs could be imposed only for a maximum period of 12 months for regular and special enrollees and 18 months for late enrollees.

In addition, HIPAA required that the plan or issuer reduce any PCE by the amount of creditable coverage the individual had prior to his or her enrollment in the plan.

To allow an individual to establish prior creditable coverage for purposes of reducing or eliminating any PCE imposed by a group health plan, HIPAA's rules require plans and issuers to provide HIPAA Certificates. Plans and issuers are required to provide HIPAA Certificates to individuals:

- Automatically when they lose coverage under the plan; and
- Upon request for a period of 24 months following termination of coverage.

EFFECT ON HIPAA CERTIFICATES

The ACA's prohibition on PCEs for plan years beginning on or after Jan. 1, 2014, makes HIPAA Certificates unnecessary. Recognizing this fact, the Departments' final rule eliminates the requirement to provide HIPAA Certificates, beginning Dec. 31, 2014. **Thus, group health plans and issuers are not required to provide HIPAA Certificates during 2015 and later years.**