

Contraceptive Coverage in the Health Care Law: What Happens on August 1, 2012?

On August 1, 2012, provisions in the health care law requiring insurance companies to cover contraceptives with no co-pay* will go into effect.ⁱ In the next few years, as an increasing number of health plans come under the law's reach, more and more women will have access to all of the FDA-approved forms of contraception with no co-pay. This means that eventually all women with private insurance will get the full range of FDA-approved birth control methods, including oral contraception (the pill), injectables, the ring, contraceptive implants, diaphragms, cervical caps, and non-surgical permanent contraceptives without paying a co-payment or having the costs applied to her deductible. Sterilization for women is also covered with no co-pay or deductible.

(For more information on contraceptive coverage and coverage of preventive health services generally, please see *Contraceptive Coverage in the Health Care Law: Frequently Asked Questions*.)

Does this mean that I will have access to birth control with no co-pay on August 1, 2012?

The August 1st implementation date means that “new” private health insurance plans must include this coverage at the start of their next plan year on or after August 1st.ⁱⁱ Your access to this coverage will depend on when your plan's new year begins.

Most private insurance plan years begin on January 1, so they will be required to offer this coverage as of January 1, 2013. However, some plans must begin offering this new benefit immediately. For example, school health plans, which often begin their health plan years around the beginning of the school year, will see the benefits on the August 1st start date. (Please note, many private insurance plans started providing some of the preventive services in advance of their new plan year -- so you may already be covered.)

I heard that some plans do not have to cover this benefit on August 1 because they are “grandfathered” and not “new”. What does this mean?

Health plans that existed before the health care law are considered “grandfathered” and do not have to follow the preventive services cost sharing rules.ⁱⁱⁱ This means that the plan can continue to operate as it has until it makes significant changes.^{iv}

Will my plan ever become “un-grandfathered” and have to follow the new rule?

Yes. A recent survey found that 90% of all large U.S. companies expect that their health plans will lose grandfathered status by 2014.^v Eventually all plans will lose their grandfathered status and distinctions between the two types of plans will disappear. At that point, all plans will cover contraception without a co-pay.

With the law on your side, great things are possible.

What if I work for a church or another religious employer?

A segment of religious employers, such as churches and other houses of worship, are exempt from this contraceptive coverage requirement.^{vi} The Administration has proposed an “accommodation” for other, undefined “religious organizations” that allows them to avoid providing contraceptive coverage directly, but ensures that the women who work for them still receive contraceptive coverage without a co-pay. For more information on this proposed accommodation, please see our fact sheet [Contraceptive Coverage “Accommodation” of Other “Religious Organizations”: Frequently Asked Questions](#).

What if I am a student and enrolled in a student health plan?

The new contraceptive coverage requirement applies to student health plans as well, except those that are self-funded.

Won't this make my monthly premiums go up?

While we can't say for certain, there is strong evidence that covering contraceptives actually produces cost savings, because maternity, infant, and dependent care are more expensive than family planning services. According to the National Business Group on Health (NBGH), a non-profit organization representing employers' perspectives on national health policy issues, the cost of adding contraceptive coverage without co-pay to a health plan is more than made up for in expected cost savings.^{vii} And when contraceptive coverage was added to the federal employee plan, premiums did not increase because there was no resulting health care cost increase.^{viii}

How do I find out if I'm covered?

The first step is to ask your insurer. Please see our Fact Sheet, [“How To Find Out If and When Your Health Plan Will Begin Covering Women's Preventive Services with No Co-Pay”](#) for guidance about what questions to ask.

Who do I call if I think I'm being denied this coverage, have questions or want to share my story?

If you think you have been wrongly denied coverage, you should contact whichever office enforces these laws in your state. This website from the Federal Government will help you to identify the appropriate agency in your state: <http://www.healthcare.gov/using-insurance/managing/consumer-help/index.html>

Also, if you think you have been denied coverage, have questions or want to share your story, please call us at 1-866-PILLAUS or email us at pill4us@nwlc.org. Our experts here at the National Women's Law Center are happy to help you in any way that we can.

For more information on contraceptive coverage please visit
www.nwlc.org/contraceptivecoverage.

* Insurance companies do have some flexibility in implementing this new requirement, like being able to charge a co-pay for a brand name drug where generic equivalents exist.

ⁱ Patient Protection and Affordable Care Act of 2010, Pub. L. No. 111-148, § 2713, 124 Stat. 119, 131 (2010) (to be codified at 42 U.S.C. § 300gg-13).

ⁱⁱ “New” plans are those that began after the health care law was considered.

ⁱⁱⁱ See Patient Protection and Affordable Care Act of 2010, Pub. L. No. 111-148, § 1251, 124 Stat. 119, 161-62 (2010) (to be codified at 42 U.S.C. § 300gg-13).

^{iv} Preservation of Right to Maintain Existing Coverage, 45 CFR § 147.140 (2011).

^v Stephen Miller, Society for Human Resources Management, Nine of 10 Big Companies Expect to Lose Grandfathered Status (Aug. 20, 2010),

<http://www.shrm.org/hrdisciplines/benefits/Articles/Pages/GrandfatherStatus.aspx>.

^{vi} Specifically, the Final Rules define an employer that can invoke the exemption as one that: (1) Has the inculcation of religious values as its purpose; (2) primarily employs persons who share its religious tenets; (3) primarily serves persons who share its religious tenets; and (4) is a non-profit organization under section 6033(a)(1) and section 6033(a)(3)(A)(i) or (iii) of the tax code. Section 6033(a)(3)(A)(i) and (iii) refer to churches, their integrated auxiliaries, and conventions or associations of churches, as well as to the exclusively religious activities of any religious order. Group Health Plans and Health Insurance Issuers Relating to Coverage of Preventive Services Under the Patient Protection and Affordable Care Act, 45 C.F.R. § 147.130 (2012).

^{vii} KP Campbell, Nat’l Bus. Group on Health, *Contraceptive Use Evidence-Statement: Counseling and Preventive Intervention*, in *A Purchaser’s Guide to Clinical Preventive Services: Moving Science into Coverage*, (KP Campbell et al. ed., 2006).

^{viii} When the FEHBP contraceptive coverage requirement was implemented, the Office of Personnel Management (OPM), which administers the program, arranged with the health carriers to adjust the 1999 premiums in 2000 to reflect any increased insurance costs due to the addition of contraceptive coverage. But OPM found that no such adjustment was necessary, and reported that “there was no cost increase due to contraceptive coverage.” Letter from Janice R. Lachance, Dir., U.S. Office of Pers. Mgmt. (Jan. 16, 2001) (on file with NWLC).