

VERMONT DEPARTMENT OF FINANCIAL REGULATION

EMERGENCY RULE H-2020-04-E

SUSPENSION OF PRESCRIPTION DRUG DEDUCTIBLES FOR PREVENTIVE MEDICATIONS

Section 1. Purpose.

This emergency rule is promulgated pursuant to Act 91 of 2020 and in response to the State of Emergency declared by the Governor of the State of Vermont on March 13, 2020 regarding the outbreak of COVID-19. The emergency rule shall be effective for the duration of the State of Emergency subject to the requirements of the Vermont Administrative Procedures Act. The purpose of this emergency rule is to suspend health insurance plan deductible requirements for certain prescription drugs while ensuring that high-deductible health plans maintain eligibility for a health savings account under 26 U.S.C. § 223.

Section 2. Definitions.

Terms used in this emergency rule and not defined herein shall have the meanings given to such terms, if any, in 18 V.S.A. § 9402, 18 V.S.A. § 4601, 26 U.S.C. § 223, 42 U.S.C. § 1395x, and accompanying IRS guidance, including IRS Notices 2004-23, 2004-50, 2013-57, and 2019-45.

Section 3. Applicability.

Self-insured or publicly funded health care benefit plans offered by public and private entities are encouraged but not required to comply with this emergency rule.

Section 4. Suspension of Prescription Drug Deductibles for Preventive Medications.

- (a) Health insurers shall suspend prescription drug deductibles for all generic drugs classified as preventive care for purposes of 26 U.S.C. § 223(c)(2)(C).
- (b) Health insurers shall suspend prescription drug deductibles for brand and biological drugs classified as preventive care for purposes of 26 U.S.C. § 223(c)(2)(C) when no generic drug alternative is available in that drug class.
- (c) Deductibles suspended under this rule shall not at any time be due or payable, and no insurer may make any attempt to collect such deductibles at any time.

Section 5. Effective Date.

This emergency rule shall become effective on July 1, 2020.