

C.M. SMITH AGENCY, INC.
BENE BULLETIN

FINAL REGULATIONS
Newborns' and Mothers' Health Protection Act

Effective January 1, 2009 the final rules apply to all Group Health plans including Self Insured Plans. It is important to know the purpose of the Newborns' & Mothers' Health Protection Act is to provide protection for mothers and newborns with regard to hospital length of stay following childbirth.

The Act states that group health plans can not prohibit limiting hospital lengths of stay in connection with childbirth less than 48 hours for vaginal deliveries and 96 hours for cesarean sections. In addition, group health plans must not require preauthorization for the 48/96 hour stays.

Outlined below are the minor changes that will take effect January 1, 2009.

Hospital Length of Stay (Basically unchanged)

- 48 hour (or 96 hour) general rule unchanged
- Allows for earlier discharge exception if provider & mother agree to discharge earlier
- Does not require the hospitals to provide those lengths of stay, but does require group health plans/insurers to provide benefits for those lengths of stay.

Clarifications made:

- Clock begins at time of delivery (not admittance). If delivery occurs outside the hospital, length of stay begins on admittance.

Definition of Provider (Clarification)

- Definition of provider does not include a plan, hospital, managed care organization or other issuer. It is restricted to individual licensed under state law to provide maternal or pediatric care and who is directly responsible for providing such care to a mother or newborn.

Authorization/Preauthorization (Clarification)

- Plans can't require authorization for length of stay that is subject to general rule.
- Plans are not prevented from requiring it for length of stay after the 48 (or 96) hours.
- Plans can not increase coinsurance for any portion beyond the 48 (or 96) hours.

Notice Requirements

- Furnish participants with SPD to apprise them of their rights & obligations
- Can be either in plan document, or type of document the plan generally uses to inform participants and beneficiaries of plan benefit changes.
- Must describe the federal law
- Prescribe content and the manner & timing for notification of any material plan notification

To review these rules, please go to: <http://edocket.access.gpo.gov/2008/pdf/E8-24666.pdf>

C.M. Smith Agency, Inc. is not a law firm and therefore we are not able to give legal advice. You should consult with legal counsel if you have specific questions on this subject matter.