

5th Circuit Requires Health Plans to Continue Providing Free Preventive Care

The 5th U.S. Circuit Court of Appeals recently [ruled](#) that a key component of the Affordable Care Act's (ACA) preventive care mandate is unconstitutional. However, in a decision it referred to as a "mixed bag," the 5th Circuit limited its ruling to the plaintiffs in the case, a small group of individuals and businesses from Texas.

The ACA requires non-grandfathered health plans and issuers to cover a set of recommended preventive services without imposing cost-sharing requirements, such as deductibles, copayments or coinsurance, when the services are provided by in-network providers.

Court Decisions

In March 2023, the U.S. District Court for the Northern District of Texas struck down a key component of the ACA's preventive care mandate as unconstitutional and issued a nationwide injunction against its

enforcement. This decision involved a wide range of preventive care services, such as cancer screenings and medications for chronic diseases. The 5th Circuit put the District Court's decision on hold pending its ruling, which means health plans and issuers have been required to fully comply with the ACA's preventive care mandate without interruption.

Impact of 5th Circuit Ruling

Health plans and issuers must continue to cover the full range of recommended preventive care items and services without cost sharing. Only the plaintiffs in the case are exempt from a portion of the ACA's preventive care mandate. However, the future of the ACA's free preventive care mandate remains uncertain. Employers should continue to watch for developments on this issue, as it is likely that the 5th Circuit's decision will be appealed to the U.S. Supreme Court.

Draft Forms for 2024 ACA Reporting Released

The IRS has released draft 2024 forms for reporting under Internal Revenue Code Sections 6055 and 6056. Draft instructions for these forms have not yet been released.

- The 2024 draft Forms [1094-B](#) and [1095-B](#) are draft versions of the forms used by providers of minimum essential coverage, including self-insured plan sponsors that are not applicable large employers (ALEs), to report under Section 6055.
- The 2024 draft [Forms 1094-C](#) and [1095-C](#) are draft versions of forms ALEs use to report under Section 6056 and for combined Section 6055 and 6056 reporting by ALEs who sponsor self-insured plans.

No major substantive changes were made to the draft forms for 2024 reporting. However, certain changes may be made once these forms are finalized or when draft or final instructions are released.

Reporting Deadlines

Individual statements for 2024 are due 30 days from Jan. 31, 2025. Because the deadline falls on a weekend, the individual statements must be furnished by the next business day, which is March 3, 2025. An alternative method of furnishing Form 1095-B is available. Electronic IRS returns for 2024 must be filed by March 31, 2025.