

## HDHP CHANGE

# NEW LAW MAKES PERMANENT TELEHEALTH COVERAGE IN HDHPS

The One Big Beautiful Bill Act signed into law by President Trump on July 4, 2025, makes permanent the ability of high-deductible health plans (HDHPs) to offer pre-deductible coverage for telehealth and other remote care services without compromising employees' eligibility to contribute to health savings accounts (HSAs).

This change, effective for plan years beginning after Dec. 31, 2024, restores a popular pandemic-era flexibility that had otherwise expired at the end of 2024.

For employers that offer HDHPs with HSA options, they can now choose whether to incorporate first-dollar telehealth coverage to enhance their plan's value, reduce employee costs and improve access to care.



### Brief background

Under longstanding federal law, to qualify for HSA contributions, a participant must be enrolled in a qualified HDHP and have no other "impermissible" health coverage — meaning no coverage that pays for non-preventive care before the deductible is met. Historically, this included most telehealth services.

That changed with the CARES Act in 2020, which allowed HDHPs to cover telehealth on a first-dollar basis without affecting HSA eligibility through Dec. 31, 2024.

### Benefits of telehealth services

- **Convenience:** Workers in rural or remote areas, or those juggling caregiving responsibilities, no longer need to take time off work or travel to see a provider for routine care that can be handled virtually.
- **Lower costs:** First-dollar coverage for virtual visits can eliminate out-of-pocket expenses for common services like check-ups, prescription renewals or managing chronic conditions.
- **Chronic care support:** Individuals managing ongoing conditions such as diabetes or hypertension may find it easier to stay on top of treatment plans with telehealth check-ins.

### Takeaway for employers

Employers looking to implement or reinstate telehealth coverage to their HDHPs should coordinate with their insurance carriers or third-party administrators and update plan documents, summary plan documents and employee communications accordingly.

If your 2025 plan has already started, you may need to send your enrollees special notices informing them of the change.

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## The Takeaway: Implications for Employer Plans

- **Strategic use of telehealth and primary care arrangements.** Employers can now build HDHPs that include robust virtual and telehealth access without affecting employee HSA eligibility. This flexibility may allow for more cost-efficient, employee-friendly benefit structures.
- **Expanded HSA access for ICHRA offerings.** For employers offering ICHRAs or QSEHRAs, the inclusion of Bronze and Catastrophic marketplace plans as HSA-eligible opens a wider range of plan options for employees, potentially improving satisfaction and adoption.
- **Administrative action required.** Employers choosing to take advantage of these new flexibilities must work with legal counsel, third-party administrators or their broker to ensure plan documents, enrollment materials and employee communications are updated ahead of the 2026 changes.

Do you have questions about how this may affect your coverage?

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