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## RECONSTRUCTIVE SURGERY MANDATE IN OMNIBUS APPROPRIATIONS LAW

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The omnibus appropriations law (Pub. L. No. 105-277) signed by the President on October 21 includes a new federal health mandate.

Under the new law, group health plans that cover mastectomies must pay for all stages of reconstructive surgery following the procedure, including surgery on the other breast to produce a symmetrical appearance. Health insurance companies that provide coverage to group health plans are also subject to the mandate. The plan must provide a participant with written notice of the availability of the coverage upon enrollment and annually thereafter.

The law adds a new section 713 to Title I of the Employee Retirement Income Security Act of 1974, as amended. The law prohibits a group health plan from discriminating against a plan participant, or offering financial incentives to a health care provider, for the purpose of avoiding the mandate.

The reconstructive surgery mandate applies to plan years beginning on or after October 21, 1998.

Group health plans must notify each participant and beneficiary of the new coverage the next time the plans send out a general communication, ***but in no event later than January 1, 1999.***

Covington & Burling