



TaxNewsFlash

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Notice 2018-12: High deductible health plans providing benefits for male sterilization, contraceptives

The IRS today released an advance version of Notice 2018-12 to clarify that a health plan providing benefits for male sterilization or male contraceptives without a deductible—or with a deductible below the minimum deductible for a high deductible health plan (HDHP)—is not an HDHP under current guidance interpreting the requirements of section 223(c)(2).

[Notice 2018-12](#) [PDF 29 KB] provides transition relief for periods before 2020 during which coverage has been provided for male sterilization or male contraceptives without a deductible, or with a deductible below the minimum deductible for an HDHP.

Notice 2018-12

According to today's notice, several states recently adopted laws that require certain health insurance policies and arrangements to provide benefits for male sterilization or male contraceptives without cost sharing. Some individuals in those states are participants or beneficiaries in insured health plans or other arrangements subject to the state's insurance laws. The IRS and Treasury Department have been asked whether benefits for male sterilization or male contraceptives constitute preventive care for purposes of section 223(c)(2)(C).

Notice 2018-12 concludes that benefits for male sterilization or male contraceptives are not preventive care within the meaning of section 223(c)(2)(C). Accordingly, under current guidance, a health plan that provides benefits for male sterilization or male contraceptives before satisfying the minimum deductible for an HDHP under section 223(c)(2)(A) does not constitute an HDHP, regardless of whether the coverage of these benefits is required by state law.

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