

Benefit Fact Sheet

Objective

To provide protection for mothers and newborn children by legislating the minimum length of a covered hospital stay following childbirth.

Why offer it?

Federal law requires all group health plans to comply with the act. Penalties and fines may be imposed for non-compliance. However, some states have laws that include protections for hospital stays during childbirth for fully insured groups. If your state includes these protections, then you may not be required to comply with the act if your health plan is fully insured.

Who offers it?

Compliance under the act is required if the employer-sponsored group plan:

- Offers coverage for hospital stays following childbirth, and
- Is self-insured or
- Is fully insured (unless your state has a similar law that takes precedence)

What are the provisions of the law?

Group health plans that are subject to the act must not restrict benefits for a hospital stay in connection with childbirth for a minimum period of time. A normal vaginal delivery generally may not be limited to less than 48 hours for both the mother and newborn child. A cesarean section generally may not be limited to less than 96 hours. The act does not require that group health plans provide coverage for hospital stays in connection with childbirth; it only applies to those plans that currently offer this coverage. While the attending provider may decide, with the mother's permission, to discharge the mother or newborn child earlier, the provider cannot receive incentives or disincentives to discharge the mother or child earlier than 48 hours (or 96 hours).

If the delivery occurs in a hospital, the 48 hours (or 96 hours) begins at the time of delivery. If the delivery occurs outside of a hospital and the mother is later admitted to the hospital in connection with the childbirth, the period begins at the time of the admission.

What do employers need to know?

The Summary Plan Description (SPD) distributed to employees must include language describing the federal requirements relating to the hospital lengths of stay in connection with childbirth. Plans that are subject to alternative state regulations will need to incorporate language into their SPD describing the applicable state laws.

Informational links

- [NMHPA Overview](#) (Centers for Medicare and Medicaid Services)
- [NMHPA FAQs](#) (Department of Labor)
- [NMHPA Fact Sheet](#) (Department of Labor)

This Fact Sheet is designed to provide a general overview of the benefit program, service, or regulatory act it describes. The information included in this document is not a substitute for legal or professional opinion relative to a plan sponsor's particular fact pattern. Your ArlenGroup consultant can answer more specific questions relative to its application for your organization. A menu of additional topics is available online at: www.arlengroup.com/facts.