

The following analysis is provided by a well-informed Congressional analyst:

The Department of Health and Human Services (HHS) has issued a [notice of proposed rulemaking](#) regarding the requirement that all insurance plans cover “all Food and Drug Administration approved contraceptive methods, sterilization procedures, and patient education and counseling for all women with reproductive capacity”. The proposed rule is being issued in response to the many faith-based institutions and religious business owners that continue to object to this mandate on grounds that it forces them to violate their deeply held religious or moral objections to some or all such coverage – especially coverage that includes the morning-after pill (Plan B) or week-after pill (*ella*).

The proposed rule is open for comment until April 5, 2013. However, it is extremely similar to proposals rejected by pro-life leaders in the past. The proposed rule would:

Have NO impact on businesses run by people of faith, such as Tyndale House (a publisher of the Bible), Hobby Lobby and Hercules Industries.

Provide NO options for individuals seeking plans that accommodate their values on the exchanges.

Continue to only apply the full exemption to churches and their auxiliary institutions. It appears that this narrow exemption will NOT apply to nonprofits like the University of Notre Dame, Wheaton College and Catholic Charities. Note: the exemption is modified so that it no longer specifies that churches must have inculcation of religious values as their purpose and primarily employ and serve people of their same faith. Even though those specifics are no longer listed, the exemption continues to apply only to a [small category of entities](#) (Churches, Integrated Auxiliaries, and Conventions or Associations of Churches).

Non-profit religious organizations will have to involuntarily comply with the mandate through a series of new requirements on insurance companies and third party administrators (in the case of self-insured plans). HHS refers to this as an accommodation, and will only make it available to a nonprofit entity that “holds itself out as a religious organization.” The arrangement will work as follows:

Fully Insured Plans--In the case of a non-profit religious organization that indicates it opposes providing all or part of the mandated coverage, their insurance company will provide the coverage to the covered employees anyway through a “seamless process” under the justification that the coverage is actually free because it will reduce labor and delivery costs in the long run.

Self-Insured Plans--In the case of a self-insured plan, the third party administrator will contract with another insurance company to provide the coverage, and the insurance company will be compensated by paying less in “Federally-facilitated Exchange user fees.”