

# Section 1557 2024 Final Rule Update



**By Rana McSpadden, FACMPE**

In April 2024, the Department of Health and Human Services published the Section 1557 Final Rule. This ruling reinstates requirements that were initially removed in the 2020 ruling and expands on requirements from the original 2016 Section 1557 Non-Discrimination Regulations of the Affordable Care Act.

## **What is Section 1557?**

Section 1557 of the Affordable Care Act combines various civil rights laws, including title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973 to “prohibit discrimination on the basis of race, color, national origin, sex, age, and disability in certain

health programs and activities.”<sup>[i]</sup> This act ensures that individuals have equal access to healthcare services and coverage without facing discrimination.

### Who must comply?

“Covered Entities” under the Section 1557 Affordable Care Act are:

1. Health programs or activities that receive either direct or indirect Federal financial assistance from the Department of Health and Human Services (HHS);
2. Health programs or activities that are administered by HHS; or
3. Health programs or activities that are administered by a Title I entity.<sup>[ii]</sup>

In other words, entities that receive any funds from HHS—whether through grants, loans, contracts, financial support, subsidies, or payments through Medicare and Medicaid, or through federal or state Health Insurance Marketplaces—are considered covered entities and must comply with Section 1557 regulations. The 2024 Final Rule eliminated the Medicare Part B exception, clarifying that entities accepting Medicare Part B are now considered covered entities. As a result, most healthcare providers must now implement Section 1557 policies and procedures to protect patients from discrimination.

### How does a covered entity comply?

All covered entities, regardless of size, must implement Section 1557 policies and procedures. These policies and procedures must be maintained in writing with an effective date and be customized to the entity’s size, complexity, and type of program or activities provided by the entity. These policies and procedures include:

- **Nondiscrimination Policies:** These policies describe how the entity prohibits discrimination on the basis of race, color, national origin, sex, age, or disability. They will also state that the entity will provide language assistance services and auxiliary aids and services free of charge, will provide reasonable modifications for individuals with disabilities, and, if applicable, provide contact information for the Section 1557 Coordinator.
- **Effective Communication Procedures:** These procedures describe how the entity will take appropriate steps to ensure effective communication with individuals with disabilities, including providing auxiliary aids and services, such as sign language interpreters and accessible electronic information.
- **Language Access Procedures:** These procedures ensure meaningful access to individuals with limited English proficiency (LEP) by providing free language assistance services, such as qualified interpreters and translated materials. Entities cannot require patients to provide their own or pay for interpreter services, nor can they depend on family, friends, or minors for interpretation.
- **Reasonable Modification Procedures:** These procedures describe how the entity will make reasonable modifications to policies, procedures, and practices when necessary to avoid discrimination against individuals with disabilities. These modifications would ensure accessibility to facilities as well as services.

Training on these policies and procedures must be initially provided no later than 30 days after implementation and be provided to all employees that interact either directly or indirectly with patients, including temporary or voluntary staff. While training should be provided frequently, HHS infers training should occur at least annually.

Covered entities are again required to post a Notice of Nondiscrimination. This notice is very similar to the notice that was required in 2016; however, there are some key changes. This notice must be printed in at least a 20pt sans serif font (such as Arial or Calibri) and be posted in an area of the practice where it is reasonable to expect patients to read the notice, as well as conspicuously on the website. Additionally, the notice must be provided to patients annually and upon request.

Similar to the Tagline posters of 2016, covered entities must post a Notice of Availability of Language Assistance Services and Auxiliary Aids and Services. This posting notifies patients of how to request language assistance for individuals with limited English proficiency or auxiliary aids and services for patients with disabilities. This must be printed in the top 15 languages spoken in the state the entity operates, in 20pt sans serif font (such as Arial or Calibri) and be posted in an area of the practice where it is reasonable to expect patients to read the notice, as well as conspicuously on the website. This notice must be provided to patients on an annual basis and upon request. Additionally, it must also be included in all significant electronic and written communications, including:

- Notice of nondiscrimination, notice of privacy practices, etc.
- Forms and papers such as intake forms, discharge forms, complaint forms, etc.
- Communication related to patient rights, eligibility, benefits, services, and cost and payment of care, such as medical billing and collections and good faith estimates.

In addition to the above, entities with 15 or more employees must also designate at least one Section 1557 Coordinator as well as implement Grievance Procedures. Multiple individuals may be designated to work together to ensure compliance. Section 1557 Coordinators are responsible for:

- Reviewing and resolving grievances of discrimination filed by individuals under the entity's grievance procedures.
- Coordinating Section 1557 recordkeeping requirements.
- Coordinating and implementing language access, effective communication, and reasonable modification procedures.
- Ensuring staff receives appropriate training on Section 1557 policies and procedures.

Grievance Procedures describe how the entity will address complaints of discrimination and ensures prompt and equitable resolution.

To assist covered entities with implementation of these requirements, HHS has provided many sample policies, procedures, and notices. SVMIC has provided easy access to these resources as well as state specific Notice of Assistance posters. Access to these

---

Section 1557 resources may be accessed through your Vantage account [here](#).

If you or someone in your office have questions about compliance with Section 1557 or access to these resources, call 800-342-2239 or email .

[i] 45 CFR 92.1(a) [https://www.ecfr.gov/current/title-45/part-92#p-92.1\(a\)](https://www.ecfr.gov/current/title-45/part-92#p-92.1(a))

[ii] 45 CFR 92.2(a) [https://www.ecfr.gov/current/title-45/part-92#p-92.2\(a\)](https://www.ecfr.gov/current/title-45/part-92#p-92.2(a))

---

The contents of The Sentinel are intended for educational/informational purposes only and do not constitute legal advice. Policyholders are urged to consult with their personal attorney for legal advice, as specific legal requirements may vary from state to state and/or change over time.