

June 1 – Dec. 31, 2026 Short Plan Year Medical Plan Examples

CVS Health is moving to a January–December benefits plan year starting in 2027. To transition to this schedule, we have a short plan year from June 1 through Dec. 31, 2026.

To minimize the impact of the short plan year, CVS Health will credit amounts you paid toward your deductible and out-of-pocket maximum (including copayments, if applicable) for services between Jan. 1 – May 31, 2026 to your deductibles and out-of-pocket maximums for the short plan year.

Chris and Elaine

	Chris	Elaine
Claims for covered services between Jan – May 2026	<p>\$1,500 in claims for covered services</p> <p>Chris had not met his deductible or out-of-pocket maximum, so he paid a portion of these claims out of pocket. He paid \$1,000 and the plan paid \$500.</p>	<p>\$1,500 in claims for covered services</p> <p>Elaine had met her out-of-pocket maximum in 2025, so she paid \$0 toward these claims and the plan paid \$1,500.</p>
Short plan year credit?	<p>✔ Yes</p> <p>The \$1,000 Chris paid out of pocket for Jan – May 2026 covered services is received as a plan credit toward his deductible for the short plan year.</p>	<p>✘ No</p> <p>Since Elaine did not pay out of pocket for Jan – May 2026 services, no credit is applied for the short plan year.</p>

Note: Credits will not apply in the fully insured plans for Hawaii and Puerto Rico.

Dominic

Now, let's look at an example of a colleague who has recurring high claims costs, and typically meets the out-of-pocket maximum early in the plan year. Assuming his expenses continue at their current rate (approximately \$2,000/month), here's a comparison of what he would have paid under the old plan year schedule and what he will pay in the new plan schedule (including the short plan year).

What Dominic Pays Out of Pocket June 2026 – December 2027

		June 1 – Dec. 31, 2026	Jan. 1 – May 31, 2027	June 1 – Dec. 31, 2027
Old Plan Year Schedule (June – May)		<p>\$4,200 (out-of-pocket max)</p> <p>The plan resets on June 1 with a new out-of-pocket max of \$4,200.</p>	<p>\$0 (plan pays 100%)</p>	<p>\$4,200 (out-of-pocket max)</p> <p>The plan resets on June 1 with a new out-of-pocket max of \$4,200.</p>
New Plan Year Schedule (Short plan year, then Jan. – Dec.)		<p>\$4,200 (out-of-pocket max)</p> <p>The plan resets on June 1 with a new out-of-pocket max of \$4,200. Since Dominic did not pay out of pocket for Jan – May 2026, he does not receive a credit for the short plan year.</p>	<p>\$4,200 (out-of-pocket max)</p> <p>The plan resets on Jan. 1 with a new out-of-pocket max of \$4,200.</p>	<p>\$0 (plan pays 100%)</p>

Same total out-of-pocket expenses from June 1, 2026 – Dec. 31, 2027

Even though the plan year resets on January 1 instead of June 1, Dominic's total out-of-pocket cost from June 2026 through December 2027 is \$8,400 — the same as it would have been under the old plan year schedule, although the timing is different.

Examples are for illustrative purposes only. The change to a January –December benefits plan year applies to The CVS Health Welfare Benefit Plan, The CVS Health Care Delivery Welfare Benefit Plan, and to your employer's Health and Dependent Care Flexible Spending Account Plans, for colleagues currently on a June – May plan year. If there's any difference between this and plan documents, official plan documents govern. CVS Health or your employer reserves the right to amend, modify or terminate all or part of its benefit plans at any time. This description is not an employment contract or guarantee.