Oregon Essential Health Benefits Advisory Committee Meeting

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Objectives

- Assist in selection of Essential Health Benefit (EHB) benchmark by
  - Comparing covered benefits across benchmark options and against current EHB
  - Identifying key benefit differences to focus discussions and analysis
  - Identifying benefit categories that will need to be supplemented for each benchmark option to ensure coverage of all 10 EHB categories
  - Potentially ruling out any benchmark options
  - Quantifying premium impact of benchmark options (next meeting)
- Additional document to reference
  - DRAFT Comparison of Benefits by Benchmark Option
  - DRAFT State Mandate Coverage by Benchmark Option
  - Comparison of Infertility Benefits by Benchmark Option

Considerations

- States must pick a single benchmark option to define the package of benefits, they cannot pick and choose covered benefits across different benchmark options (exceptions apply if an entire EHB category is not covered by the benchmark)
- Benchmarks are defined by covered benefits, including quantitative limitations, but do not include cost sharing, delivery method, medical management (e.g., pre-authorization)
- EHB benchmark must not be discriminatory and must have an appropriate balance across categories
- There are some benefits for which the contract documents are silent or unclear, we have identified these within the summaries and will follow up with plans for confirmation (except federal employee plans)
- Comparisons are in draft form, they have not been confirmed by the carriers and are still being peer reviewed

Benefits Excluded from EHB

- The following benefits are not considered EHB even if they are in the benchmark
  - Routine non-pediatric dental services
  - Routine non-pediatric eye exam services
  - Long-term / custodial nursing home care benefits
  - Non-medically necessary orthodontia
- The benefits above are not included in the benefit comparison

Oregon's EHBs for 2014 - 2016

- Base benchmark plan:
  - PacificSource Preferred CoDeduct Value - small group product from 2012 (3rd largest small group product from 2012)
- Supplemented categories
  - Pediatric Oral – State CHIP
  - Pediatric Vision – FEDVIP
- Habilitative Services:
  - Not covered in base benchmark plan
  - *For purposes of the essential health benefits benchmark plan for the State of Oregon, and subject to carrier-specific requirements; including eligibility, medical necessity, preauthorization, provider credentialing/accreditation standards, etc.; the provisions of the EHB Benchmark Plan relating to rehabilitation medical services define the coverage requirements for habilitation medical services when such services are medically necessary for the maintenance, learning, or improving skills and function for daily living.*

Benefit Categories

- Ambulatory Patient Services
- Emergency Services
- Hospitalization
- Maternity and Newborn Care
- Mental Health and Substance Use Disorder Services
- Prescription Drugs
- Rehabilitative and Habilitative Services and Devices
- Laboratory Services
- Preventive and Wellness Services and Chronic Disease Management
- Pediatric Services, including Oral and Vision Care

Special Rules for Prescription Drugs

- Issuers must cover at least the greater of:
  - One drug in every USP category and class, or
  - The same number of prescription drugs in each category and class as the EHB-benchmark plan
- For plan years beginning 2017, issuers must also use a pharmacy & therapeutics (P&T) committee to establish and manage the formulary drug list, including exceptions and other utilization management practices
- Issuers must also have an exception process in place to address requests for access to clinically appropriate drugs not otherwise covered by the plan
- This category is not included in the benefit comparison

Supplementation Overview

- If base-benchmark plan excludes items or services within an EHB category, it must be supplemented by the addition of that category of services from another benchmark option
- Pediatric dental/vision can be supplemented with
  - FEDVIP dental/vision plan with the largest national enrollment
  - State's separate CHIP plan with the highest enrollment
  - Separate election can be made for dental/vision
- If base-benchmark doesn't include habilitative services, State may determine services to include
  - Otherwise, federal definition applies: *Health care services and devices that help a person keep, learn, or improve skills and functioning for daily living (habilitative services). Examples include therapy for a child who is not walking or talking at the expected age. These services may include physical and occupational therapy, speech-language pathology and other services for people with disabilities in a variety of inpatient and/or outpatient settings.*

Supplementation

- The following outlines the benefits that would potentially need to be supplemented for each benchmark

		Small Group Plans			State Employee Plans			Federal Employee Plans		
Benefit Category		Pacific-Source	HealthNet	United	PEBB Providence Statewide	PEBB Providence Choice	Kaiser Permanente	BCBS Standard Option	BCBS Basic Option	GEHA
7	Habilitative Services	NC *	NC *	*	NC	NC	NC	NC	NC	√
10	Pediatric Services - Oral Care	NC	NC	NC	NC	NC	NC	√*	NC	NC
	Pediatric Services - Vision Care	NC	NC	√	NC	NC	√	NC*	NC*	√*

Comparison of Benefit Differences

- Benefits were placed into the 10 categories defined by HHS and "other" (some subjectivity exists with these placements)
- Excluded from the comparison
  - Per HHS, optional riders are only included if they are part of the most commonly purchased set of benefits within the product
  - Differences in prior authorizations or provider limitations (not common) were not considered
  - Differences in waiting periods (e.g. organ transplants) were not considered
  - Prescription drugs are excluded due to different rules
  - Pediatric oral and vision

Potential Disruption to Current EHB

- Nearly all of the current EHBs as defined in the Plan and Benefits Template (PBT) are covered by all of the benchmark options. Exceptions include items such as nutritional counseling.
- Other benefits which may be EHBs (as identified in standard plan and Wakely's more detailed analysis) that may not be covered if different base-benchmark is chosen include
  - Cochlear implants
  - Genetic testing
  - Growth hormone therapy
  - Hospitalization for dental procedures
  - Biofeedback

Potential Additions to EHB

- The following are currently non-EHBs that could be covered depending on benchmark
  - Non-emergency care when traveling outside US
  - Acupuncture*
  - Chiropractic care*
  - Abortion (special rules apply)
  - Infertility treatment*
  - Bariatric surgery*
  - Treatment for TMJ
  - Accidental dental
  - Private duty nursing (limited)
  - Weight loss programs
  - Vision hardware*
  - Hearing aids (adults)*
  - Routine hearing exams (adults and children)

* Expected to have the biggest impact on premium, depending on limits

State Mandates

- States may need to defray the cost of state mandates enacted after December 31, 2011
- Except, mandates passed to supplement habilitative services and devices are not subject to state defrayal
- Only mandates for covered services are considered in EHB, the following are not considered:
  - Anti-discrimination requirements (e.g., maternity coverage for un-married women)
  - Service delivery requirements (e.g., reimbursement for expanded practice dental hygienist, telemedicine)
  - Cost-sharing requirements (e.g., no cost sharing for diabetes management for pregnant women)
  - Except, mandates passed to supplement habilitative services and devices are not subject to state defrayal

State Mandate Analysis

- Based on Wakely's (non-legal) analysis, mandates enacted after 2011 that may require cost defrayal by the State include:
  - Colorectal cancer screenings and laboratory tests (if above required ACA preventive services)
  - Coverage for craniofacial anomalies
- The Exchange is responsible for identifying which mandates are in excess of EHB

Next Steps

- Seek confirmation of benchmark plan coverage grid
- Summarize options for supplementation
- Estimate cost differences across benchmark options

Discussion