

# 2020 Essential Health Benefits Rules Advisory Committee

**February 21, 2020**

**Division of Financial Regulation**



# Introductions



# Overview of Essential Health Benefits



# Essential Health Benefits

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- The items and services that, under the ACA and Oregon law, must be covered by individual and small employer health plans.
  - Ten categories
  - Must be equal in scope to a “typical employer plan”
  - Plans may apply cost sharing and reasonable medical management requirements to essential health benefits (EHB)

# Original EHB Selection Process

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- Under CMS regulations, each state may select its own set of EHBs.
- Prior to 2020, states accomplished this through a benchmarking process.
  - States chose a “base benchmark” from a specified list of ten options.
  - The selected benchmark was then supplemented as necessary to ensure sufficient coverage of each category of EHB.

# Oregon's Current EHB Benchmark

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- Oregon's current EHB Benchmark includes:
  - Base Medical - *Pacificsource Preferred Co-Deduct Value 3000*
  - Pediatric Dental – *Oregon Health Plan (CHIP) Dental*
  - Pediatric Vision - *Federal Employee Vision Plan - High Option*
- Benefit materials available here:  
<https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb#Oregon>

# Revised EHB Selection Process

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- Beginning with the 2020 plan year, states were given three new options to define their EHB.
  - Selecting another state's *entire* 2017 EHB-benchmark plan.
  - Replacing *one or more categories* of the state's current EHB with the same category from another state's 2017 EHB-benchmark plan.
  - Otherwise selecting a set of benefits to become the State's EHB-benchmark plan.

# Revised EHB Selection Process

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- The new flexibility comes with two key limitations.
  - *Typical Employer Plan* – A revised EHB benchmark must be at least equal in scope to a “typical employer plan”
  - *Generosity Test* – A revised EHB benchmark must be no more generous than the state’s most generous “comparison plan.”



# Revised EHB Selection Process

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- A state's selection of a revised EHB benchmark under the new guidance is subject to approval by CMS.
- CMS has issued a sample methodology for comparing EHB benefits:  
<https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Final-Example-Acceptable-Methodology-for-Comparing-Benefits.pdf>

# Effect of Generosity Test for Oregon

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- Based on an analysis performed for Oregon's 2017 EHB Selection process, we estimate that Oregon will have some limited ability to add benefits to its current EHB and still satisfy the generosity test.
- See handout – *“Overview of Key Benefit Differences and Premium Impact of 2017 EHB Benchmark Options”*

## Actions in Other States

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- *Illinois* – Made selected changes to its 2020 EHB that are designed to reduce opioid addiction and expand access to mental
- *South Dakota* – Added coverage of ABA therapy to its EHB starting in 2021.
- State EHB information is available here:  
<https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb>

# Timeline

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- CMS has established May 8, 2020 as the deadline to submit any EHB changes for the 2020 plan year.
- To meet this timeline, we will need to find consensus on any proposed changes quickly.

# Current Draft Timeline

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- **February 21, 2020 – 1<sup>st</sup> RAC Meeting**
  - Introduce members
  - Overview of EHB and new selection process
  - Generosity Test and review of 2017 options
  - Members to bring forth suggestions for items to consider
- **March 10 – 2<sup>nd</sup> RAC Meeting**
  - Review options for consideration
  - Discuss which ones should move forward
- **March 26<sup>th</sup> – 3<sup>rd</sup> RAC Meeting**
  - Committee make final recommendation on which items to include in actuarial analysis
- *April 1, 2020 – Target date to have new actuarial vendor in place*
- **April 2, 2020 – Contractor begins work on actuarial analysis**
- **April 17, 2020 – First draft of actuarial analysis due to DCBS**
- **April 20, 2020 – Public Comment period begins, DCBS will also provide edits and comments to contractor during this time.**
- **May 4, 2020 – Public Comment period closes**
- **May 5, 2020 – Review Public Comment**
- **May 6, 2020 – Final comments to actuarial contractor**
- **May 8, 2020 – Final Draft of actuarial analysis due; documents submitted to CMS.**

Break



# Items for Consideration



Questions?

