Essential Health Benefits for NAIC Health Innovations (B) Working Group

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Essential Health Benefits (EHB) Primer

History

ACA Statute
• Non-grandfathered individual & small group coverage must cover Essential Health Benefits (EHBs)
• Equal to scope in typical employer plans

Regulations
• Benchmarks
  – 1 of 3 small group plans w/ largest enrollment
  – 1 of 3 most popular state employee plans
  – 1 of 3 FEHBPs w/ largest state enrollment
  – Most popular HMO plan in commercial market
• 2019 NBPP Benchmark Update:
  – Another state EHB for 2017
  – Switching out categories with another state’s EHB
  – Selecting a set of benefits to become the benchmark

EHB List (statute)
1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and SUD services
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services (including chronic disease management)
10. Pediatric services (including oral and vision care)
AHIP’s Recommendations to CMS

Q: Changes to EHB needed?

• Maintain the existing EHB structure and requirements with minimal modifications
  – Ensures access to a core essential set of benefits
  – Balances the need for state flexibility and a broad federal standard

• Maintain state flexibility to develop EHB category and benefit descriptions
  – States maintain primary regulator role
    • Have done so in a timely and efficient manner
  – Responsive to local needs and requirements
  – Conditions based on clinical evidence
AHIP’s Recommendations to CMS

Q: Changes to EHB needed?

• Review state benefit mandate reporting and clarify those needing defrayal
  – Not all new state mandate costs are being deferred, impacting affordability
  – Need greater transparency on what constitutes a new benefit mandate
  – Revisit CMS proposals for state benefit mandate reporting

• Maintain existing “typical employer plan” for EHB benchmark
  – Employer plans continue to provide comprehensive coverage
    • Flexibility for states to update every 3 years
  – Continue to utilize reasonable medical management
  – Application of value-based insurance design / alternative payment models
    • Commercial adoption of APMs was 34.6% in 2021
AHIP’s Recommendations to CMS

Q: Changes for accessing services & improvements to EHB?

• Telehealth
  – Allowance for continued use as delivery method
  – Expand access via affordable broadband
  – Utilize for provider networks to ease impact of workforce shortages, i.e. behavioral health

• Medical Management
  – Patients have access to safe and effective treatment options while decrease inappropriate and unnecessary utilization = affordability

• Continue work to implement SDOH & health equity from Medicaid to commercial markets as targeted interventions for specific populations

• Continue to use state definitions for habilitative services & pediatric specific coverage

• Changes to cost sharing limitations = changes to the AV ≠ affordability

A: All these services are likely incorporated into coverage, but in themselves should not be EHB required

AHIP Recommendations in response to CMS 12.2.22 RFI on EHB
Questions?

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