



# Essentials of the Essential Health Benefits for Children and Youth with Special Health Care Needs

Grantmakers in Health  
Children's Access Funders Network Webinar  
February 5, 2013



COVER  
MORE KIDS



CLOSE  
BENEFIT GAPS



PAY FOR  
ADDITIONAL  
SERVICES



BUILD  
CAPACITY

# The Catalyst Center

- **Funded by** the Division of Services for Children with Special Health Needs, Maternal and Child Health Bureau
- **A project of** the Health and Disability Working Group at the Boston University School of Public Health
- **The National Center dedicated to the MCHB outcome measure:** “...all children and youth with special health care needs have access to adequate health insurance coverage and financing”



# The policy rationale for the EHBs

- Ensure comprehensive coverage (“bang for the buck”)
- Facilitate comparisons between plans to inform consumer/employer choice (apples to apples)
- Increase equity of coverage options between individuals/small businesses and large group employers (leveling the playing field)

# Requirements under ACA

- The scope of benefits must reflect those covered by a “typical” employer plan
- The EHB definition cannot “make coverage decisions, determine reimbursement rates, establish incentive programs, or design benefits in ways that discriminate against individuals because of their age, disability, or expected length of life”



# Requirements under ACA, con't

- The EHBs must take into account the health needs of diverse population groups
- Must include benefits under 10 broad service categories
- The benefits must be balanced among the 10 categories

## Gaps in Benchmark Plans – comparative analysis

- FEHBP offers the most comprehensive benefits for kids
- Small group plans offer the least comprehensive, with the highest cost-sharing
- Small group plans likely to include state mandated benefits – important to CSHCN
- NONE of the benchmark plans come near EPSDT or separate CHIP program benefits

A Comparative Review of Essential Health Benefits Pertinent to Children in Large Federal, State, and Small Group Health Insurance Plans: Implications for Selecting State Benchmark Plans.

MacManus, P. July 2012

[http://www.aap.org/en-us/about-the-aap/aap-press room/Documents/AAP\\_EHB\\_Report\\_FinalPress.pdf](http://www.aap.org/en-us/about-the-aap/aap-press-room/Documents/AAP_EHB_Report_FinalPress.pdf)



# Proposed Rules – 11/20/12

- Essential Health Benefits
  - Confirms benchmark approach (2014-2015)
  - Choice of 1 of four kinds of existing plans
  - Benefits in QHPs must be substantially equal to benchmark plan
  - If a category is missing, supplement from another benchmark plan

# Proposed Rules, Continued

- Prohibits discrimination via benefit design
- “Special” standards and options for benefits not typically covered, including habilitative services
- Standards for prescription drug coverage
- Mental health and substance abuse treatment parity – federal law applies



# Proposed Rules, Continued

- Cost-sharing
  - Annual limit on cost-sharing for family plans 2X individual amount
  - Allows separate “reasonable” co-pays/co-insurance for stand-alone pediatric dental plans
  - Actuarial value “calculator” will help insurers determine plan’s metal level
  - +/- 2% with regard to metal level okay (68%-72% = silver plan)



# Treatment of State Mandated Benefits (SMB) under Proposed Rules

- ACA: States must cover cost of SMB that go beyond EHBs
- Proposed: SMB in place before 12/31/11 will be considered EHB, so no additional cost to states for them
- Only SMB that impact care, treatment or services apply
- Any limits in original SMB law still applies; only individual plans, for example
- Exchanges will be responsible for ID'ing SMB that go above EHBs; insurers responsible for ID'ing the cost

For more information,  
please contact us at:

The Catalyst Center  
Health and Disability Working Group  
Boston University School of Public Health  
617-638-1936  
[www.catalystctr.org](http://www.catalystctr.org)