



Essential Health Benefits: Rhode Island's Choice Under the Affordable Care Act *December 2012*

The Affordable Care Act (ACA) is designed to provide access to quality, affordable health insurance. To ensure that health plans provide benefits to their enrollees that will meet their health care needs, the ACA requires plans to provide a set of “Essential Health Benefits” (EHB). Beginning in 2014, many uninsured Rhode Islanders will be able to purchase health insurance through a new Health Benefits Exchange. Small employers will also be able to buy coverage for their employees through the Exchange. Starting on January 1, 2014, the health plans sold through the Exchange as well as small group and individual health plans sold outside of the Exchange must include the Essential Health Benefits.

What are the Essential Health Benefits under the ACA?

The ACA requires that Essential Health Benefits include the following 10 categories, but does not define the type or scope of services or items that must be provided in each category:

- ◆ Ambulatory patient services
- ◆ Emergency services
- ◆ Hospitalization
- ◆ Maternity and newborn care
- ◆ Mental health and substance abuse services, including behavioral health treatment
- ◆ Prescription drugs
- ◆ Rehabilitative and habilitative services and devices
- ◆ Laboratory services
- ◆ Preventive and wellness services and chronic disease
- ◆ Pediatric services, including oral and vision care.

The federal government directed the states to look at certain health plans already offered and choose one of them to set the “**benchmark**” for the items and services included in the EHB. If the selected plan did not cover all categories and services, the state was required to define the supplemental benefits.

What Benchmark Plan and Supplemental Benefits did Rhode Island Choose?¹

Rhode Island chose the Blue Cross & Blue Shield of Rhode Island (BCBSRI) Vantage Blue small group plan as the EHB benchmark.² There were three required EHB services that the state

¹ The state convened a stakeholder workgroup to provide input and guidance on the EHB decisions and held a two-week public comment period on the proposed benchmark plan and supplemental benefits. You can find the presentations to the workgroup, minutes, background information, public comments and the decision of the Executive Committee of the RI Healthcare Reform Commission at: <http://www.healthcare.ri.gov/commission/workgroups/ehb.php>.

² The state considered 3 federal employee plans, the state's two largest small group plans and the state employees' health plan. The federal employee plans were eliminated because they did not include all of the state health insurance mandates. The state narrowed the choice between the two small group plans; United

determined were not included in this benchmark plan: pediatric dental, pediatric vision, and habilitative services (adult and children). The state made the following decisions regarding these services:

- ◆ **Pediatric Vision:** The BCBSRI Vantage Blue benchmark plan covers annual vision exams for children but does not cover vision materials (glasses, lenses, etc). To ensure meaningful pediatric vision services, the state decided to supplement this benefit category with the Federal Employee Health Benefits Plan, which covers vision materials. Pediatric vision coverage is provided up to age 19.³
- ◆ **Pediatric Dental:** The BCBSRI Vantage Blue plan does not include pediatric dental coverage. The state will supplement the benchmark plan with services provided by the MetLife VIP dental plan with coverage up to age 19.
- ◆ **Habilitative Services:** Currently, commercial insurance plans do not typically cover habilitative services, which are services designed to help people with disabilities acquire, maintain, and improve self-help, social interactions, and adaptive skills important to live successfully in home and community based settings.. The federal government directed the state to indicate only whether the benchmark plan covered habilitative services, not to designate the scope of habilitative services that must be provided. The state determined that the BCBSRI Vantage Blue benchmark plan *does not* specifically cover habilitative services and that while some habilitative services are offered (e.g., physical therapy, speech therapy) they are not sufficient to meet the intent of the ACA to include habilitative services in the EHB. Thus, habilitative services will need to be supplemented by carriers in order to fulfill the EHB requirements, with the definition of those services still to be determined.

Will there be other opportunities for input?

Yes. The Office of the Health Insurance Commissioner, the Executive Office of Health and Human Services, and the Rhode Island Health Benefits Exchange will develop guidance clarifying habilitative services, including how plans will convert dollar limits (prohibited by the ACA) on state mandated benefits to utilization limits (i.e., number of physician visits). This guidance will be made available for public comment.

Choice Plus plan and BCBSRI Vantage Blue plan because they were considered to be slightly more affordable options than the state employee plan. The state chose the BCBSRI Vantage Blue Plan based on providers' reports of more streamlined administration and more flexible approach to the coverage of behavioral health services.

³ While the majority of stakeholders had been in favor of providing this coverage up to age 21, the state chose to provide pediatric vision coverage up to age 19, to be consistent with the dental benefit and to hold down the costs of health insurance premiums.