



THE ESSENTIAL HEALTH BENEFITS: FILL THE GAPS

A UHPP Position Paper

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Utah's Essential Health Benefit Package

The Essential Health Benefit (EHB) will be the minimum package of benefits that must be offered by all insurance policies sold in the small group and individual markets beginning in 2014 (including Medicaid and Basic Health Programs). People who work for small businesses and people who buy their own insurance will be assured *at least* this package of benefits. The essential health benefit package will be required both in and out of the new insurance market places, called “exchanges.”

Federal health reform (the Affordable Care Act) is designed to address the three pillars of health reform: access, cost, and *quality*. The EHB addresses the *quality* of the health coverage people will buy beginning in 2014. Each state is able to choose an essential package of benefits based on broad guidelines from the federal government. Utah's Health System Reform Task Force voted on August 16, 2012 to recommend that the PEHP Utah Basic Plus (UB+) plan be used as Utah's EHB benchmark plan (listen to the [audio](#) or read the [minutes](#)). This means that Utah will build the EHB based on what is offered in UB+. Visit the [Task Force's](#) website for more information about Utah's EHB process and choice.

The Gaps in Utah's EHB Benchmark

The essential health benefits must not discriminate based on age, disability, or expected length of life, and must consider the health needs of diverse segments of the population.¹ EHB must cover the following 10 categories:

- (1) ambulatory patient services
- (2) emergency services
- (3) hospitalization
- (4) maternity and newborn care
- (5) mental health and substance use disorder services, including behavioral health treatment
- (6) prescription drugs
- (7) rehabilitative and *habilitative*² services and devices
- (8) laboratory services
- (9) preventive and wellness services and chronic disease management
- (10) pediatric services, including oral and vision care.

¹ [EHB bulletin](#)

² Habilitative services are not currently covered in most insurance policies. The Social Security Act defines them as “services designed to assist individuals in acquiring, retaining, and improving the self-help, socialization, and adaptive skills necessary to reside successfully in home and community based settings.” http://www.ssa.gov/OP_Home/ssact/title19/1915.htm

UHPP is particularly concerned that the coverage offered by UB+ in three of the 10 categories that must be covered by the EHB is not sufficient. They are:

- mental health and substance use disorder services, including behavioral health treatment
- pediatric services, including oral and vision care
- rehabilitative and habilitative services and devices.

If the United States Department of Health and Human Services finds UB+'s coverage in any one of the 10 categories insufficient, the state would have to substitute benefits from a different plan to make the benchmark complete. The tricky part for now is that we are all still waiting on guidance from HHS as to exactly how to do this. So far we know that if one of the 10 categories is *missing* it must be filled in as follows: “the default benchmark plan would be supplemented by looking first to the second largest small group market benchmark plan, then to the third, and then, if neither of those small group market benchmark plans offers benefits in a *missing* category, to the FEHBP benchmark plan with the highest enrollment.”³

However, UB+ isn't *missing* any of the 10 required benefit categories. Three are not sufficient, that is, they do not include the benefits *essential* to manage chronic disease and promote health.

Next Steps

Now that the Legislature's Health System Reform Task Force has made its recommendation, the ball is in the Utah Department of Insurance's (DOI) court.⁴ The DOI must adopt an administrative rule designating UB+, along with any adjustments, as the Essential Health Benefit package in the small group and individual market by September 15, 2012.

At this point, all input about how to fill the gaps in a way that meets the intent of the health reform law will need to be submitted directly to the insurance commissioner.

If you would like to join the conversation about how to make the EHB stronger, please contact the Utah Health Policy Project: shelly@healthpolicyproject.org or call 801-433-2299.

To learn more about the Essential Health Benefits package, read Community Catalyst's [EHB 101](#) and the [EHB bulletin](#) from the Centers for Medicare and Medicaid Services.

³ <http://cciio.cms.gov/resources/files/Files2/02172012/ehb-faq-508.pdf>

⁴ go to <http://le.utah.gov/asp/interim/Commit.asp?Year=2012&Com=TSKHSR>, click on “studies and recommendations” then click on “action”.