Essential Health Benefits: Submission Process, Templates and Key Policy Changes

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Center for Consumer Information and Insurance Oversight (CCIIO)

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

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Agenda

- Session Guidelines
- Overview of the Essential Health Benefits (EHB) Plan Management (PM) Community
- Essential Health Benefits: Submission Process, Templates and Key Policy Changes
  Question & Answer (Q&A) Session
- Closing Remarks

Intended Audience

- Please be advised that this is not an open press call.
- Members of the press or a media outlet should disconnect the call at this time and contact the Centers for Medicare & Medicaid Services (CMS) Press Office for further information.

Session Guidelines

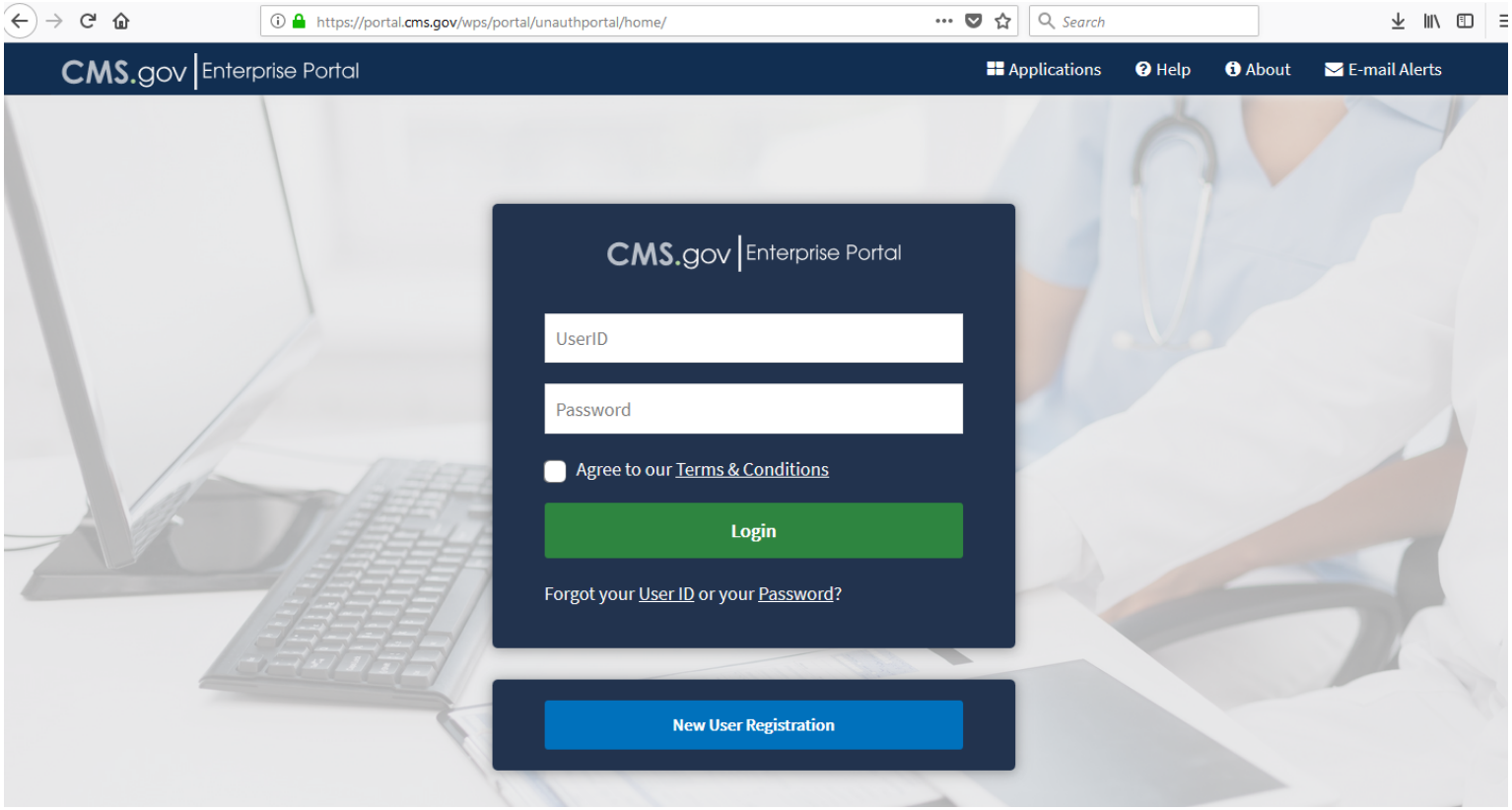
- This is a 60-minute webinar session.
- Throughout the webinar, you may submit questions via the Q&A Panel.
- We will address questions during the Q&A session at the end of the presentation.
- For questions regarding content or logistics, contact the Registration for Technical Assistance Portal (REGTAP) Registrar at registrar@regtap.info or (800) 257-9520.

Overview of the Essential Health Benefits (EHB) Plan Management (PM) Community

EHB PM Community

- EHB Tabs
- EHB Functions
  - Organizations
  - EHB Cases
    - **All States, including States not making benchmark or substitution changes, will start using the Cases function to ask CMS EHB-related questions.**
  - EHB Substitution
  - Submit EHB Templates
    - **States not making changes to their EHB-benchmark plan do not need to take any action.**

PM Community EHB Demo



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New EHB-Benchmark Plan Policy

State Options for Changing an EHB-benchmark Plan

New EHB-Benchmark Plan Policy:
State options for changing an EHB-benchmark plan

Starting with the 2020 plan year, States will have more flexibility to select an EHB-benchmark plan using the following new options:

Option 1 (45 CFR §156.111(a)(1)): Selecting the EHB-benchmark plan that another State used for the 2017 plan year under §156.100 and §156.110.

Option 2 (§156.111(a)(2)): Replacing one or more categories of EHB under §156.110(a) under its EHB-benchmark plan used for the 2017 plan year with the same category or categories of EHB from the EHB-benchmark plan that another State used for the 2017 plan year under §156.100 and §156.110.

Option 3 (§156.111(a)(3)): Otherwise selecting a set of benefits that would become the State's EHB-benchmark plan, provided certain conditions, including scope of benefits requirements, are met.

Alternatively, States have the flexibility to forgo these options, and may instead retain their current EHB-benchmark plans.

New EHB-Benchmark Plan Policy:
Requirements for a State's new EHB-benchmark plan

A State's EHB-benchmark plan is required to:

- Provide coverage of items and services for at least the 10 EHB categories of benefits.
- Provide a scope of benefits equal to, or greater than, to the extent any supplementation is required to provide coverage within each EHB category at §156.110(a), the scope of benefits provided under a typical employer plan.
- Not exceed the generosity of the most generous among a set of comparison plans.
- Not have benefits unduly weighted towards any of the categories of benefits.
- Provide benefits for diverse segments of the population, including women, children, persons with disabilities, and other groups.
- Not include discriminatory benefit designs.

New EHB-Benchmark Plan Policy:
Requirements for a State's EHB-benchmark plan

Typical employer plan at §156.111(b)(2) is defined as:

- One of the selecting State's 10 base-benchmark plan options established at §156.100, and available for the selecting State's selection for the 2017 plan year; or
- The largest health insurance plan by enrollment within one of the five largest large group health insurance products by enrollment in the State, as product and plan are defined at §144.103 provided that:
    1. The product has at least 10 percent of the total enrollment of the five largest large group health insurance products in the State;
    2. The plan provides minimum value;
    3. The benefits are not excepted benefits, as established under §146.145(b), and §148.220 of this subchapter; and
    4. The benefits in the plan are from a plan year beginning after December 31, 2013

New EHB-Benchmark Plan Policy:
Requirements for a State's EHB-benchmark plan

- The State's EHB-benchmark plan must not exceed the generosity of the most generous among a set of comparison plans, which are:
  - **§156.111(b)(2)(ii)(A)** The State's EHB-benchmark plan used for the 2017 plan year, and
  - **§156.111(b)(2)(ii)(B)** Any of the State's base-benchmark plan options for the 2017 plan year described in §156.100(a)(1), supplemented as necessary under §156.110.
- This requirement limits the range of benefits that can be considered EHB under these new EHB-benchmark plan selection options.

New EHB-Benchmark Plan Policy:
Requirements for a State that changes an EHB-benchmark plan

To select an EHB-benchmark plan, the State is required to:

1. Provide reasonable public notice and an opportunity for public comment on the State's selection of an EHB-benchmark plan (that includes posting a notice on its opportunity for public comment with associated information on a relevant State Web site).

2. Notify HHS of the selection of a new EHB-benchmark plan by a date to be determined by HHS for each applicable plan year.
   - If the State does not make a selection by the annual selection date, or its benchmark plan selection does not meet the regulatory requirements and section 1302 of the PPACA, the State's EHB-benchmark plan for the applicable plan year would be that State's EHB-benchmark plan applicable for the prior year.

3. Submit documents in a format and manner specified by HHS by a date determined by HHS.

New EHB-Benchmark Plan Policy:
Requirements for a State that changes an EHB-benchmark plan

The State documentation includes:

1. A document confirming that the State's EHB-benchmark plan selection complies with the requirements under §156.111(a), (b), and (c), including information on which selection option under paragraph (a) of this section the State is using, and whether the State is using another State's EHB-benchmark plan.

2. The State's EHB-benchmark plan document that reflects the benefits and limitations, including medical management requirements, a schedule of benefits and, if the State is selecting its EHB-benchmark plan using option 3, a formulary drug list in a format specified by HHS.

3. Other documentation specified by HHS, which is necessary to operationalize the State's EHB-benchmark plan.

New EHB-Benchmark Plan Policy:

Requirements for a State that changes an EHB-benchmark plan

4. An actuarial certification and an associated actuarial report from an actuary, who is a member of the American Academy of Actuaries, in accordance with generally accepted actuarial principles and methodologies that affirms:
    1. That the State's EHB-benchmark plan provides a scope of benefits that is equal to, or greater than, the extent of any supplementation is required to provide coverage within each EHB category at §156.110(a), the scope of benefits provided under a typical employer plan; and
    2. That the new EHB-benchmark plan does not exceed the generosity of the most generous among the following list of plans:
        - The State's EHB-benchmark plan used for the 2017 plan year, and
        - Any of the State's base-benchmark plan options used for 2017 plan year described in §156.100(a)(1), supplemented as necessary under §156.110.

To assist actuaries in these determinations, we released *Example of an Acceptable Methodology for Comparing Benefits of a State's EHB-benchmark Plan Selection in Accordance with 45 CFR 156.111(b)(2)(i) and (ii).*

New EHB-Benchmark Plan Policy:

Requirements for a State that changes an EHB-benchmark plan

Summary of key points from the example Methodology document:

- Step 1: Select a "Typical Employer Plan" or a "Comparison Plan."
- Step 2: Calculate the expected value of covering all of the benefits at 100 percent actuarial value in each EHB category in the proposed EHB-benchmark plan and in the "Typical Employer Plan" or "Comparison Plan."
- Step 3: Compare the expected value of covering all of the benefits (at 100 percent actuarial value) in each EHB category of the "Typical Employer Plan" or the "Comparison Plan" to that of the corresponding EHB category of the proposed State's EHB-benchmark plan.

New EHB-Benchmark Plan Policy:

Requirements for a State that changes an EHB-benchmark plan

Overview of State Documentation Requirements for EHB-benchmark Plans

State Documentation Requirements	Option 1: Select another State's EHB-benchmark Plan [in accordance with §156.111(a)(1)]	Option 2: Replace category or categories of benefits from another State's EHB-benchmark Plan [in accordance with § 156.111(a)(2)]	Option 3: Otherwise select a set of benefits for the State's EHB-benchmark Plan [in accordance with §156.111(a)(3)]
	Required?	Required?	Required?
Confirmations: Complies with §156.111(a), (b), and (c)	Yes	Yes	Yes
Actuarial certification and report: 1) Equal to, or greater than (to the extent any supplementation is required), the scope of benefits provided under a typical employer plan	Yes	Yes	Yes
2) Does not exceed the generosity of the most generous among the plans listed at §156.111(b)(2)(ii)	Yes	Yes	Yes
State's EHB-benchmark plan document: 1) Describes benefits and limits in accordance with §156.111(e)(3)	Yes	Yes	Yes
2) Provides formulary drug list for the State's EHB-benchmark Plan	No	No	Yes
EHB Summary Chart: Provides a summary of the State's EHB-benchmark Plan	Yes	Yes	Yes

New EHB-Benchmark Plan Policy:
Requirements for a State that changes an EHB-benchmark plan

State Documentation Requirements	Does this document require use of a specific template?
	Required?
Confirmations: Complies with §156.111(a), (b), and (c)	Yes
Actuarial certification and report: 1) Equal in scope of benefits provided under a typical employer plan	For the certification, yes; For the report, no
2) Does not exceed the generosity of the most generous among the plans listed at §156.111(b)(2)(ii)	For the certification, yes; For the report, no
State's EHB-benchmark plan document: 1) Describes benefits and limits in accordance with §156.111(e)(3)	No
2) Provides formulary drug list for the State's EHB-benchmark Plan	Yes
EHB Summary Chart: Provides a summary of the State's EHB-benchmark Plan	Yes

Templates Demo

Additional EHB Policy

New EHB-Benchmark Plan Policy:
Additional EHB Policy

- Substitution: An issuer of a plan offering EHB may substitute benefits for those provided in the EHB-benchmark plan under the following conditions
  - The issuer substitutes a benefit that:
    - Is actuarially equivalent to the benefit that is being replaced and
    - Is not a prescription drug benefit.
  - And, submits evidence of actuarial equivalence that is:
    - Certified by a member of the American Academy of Actuaries
    - Based on an analysis performed in accordance with generally accepted actuarial principles and methodologies
    - Based on a standardized plan population
    - Determined without taking cost-sharing into account.

New EHB-Benchmark Plan Policy:
Additional EHB Policy

To apply substitution:

- An issuer may substitute a benefit within the same essential health benefit category, unless prohibited by applicable State requirements
- For plan years beginning on or after Jan. 1, 2020, between essential health benefit categories *only* when the State in which the plan will be offered notifies HHS that substitution between EHB categories is permitted in the State. The plan that includes substituted benefits must:
  - Provide benefits that are substantially equal to the EHB-benchmark plan
  - Provide an appropriate balance among the EHB categories such that benefits are not unduly weighted toward any category
  - Provide benefits for diverse segments of the population.

2020 Timeline

2020 Timeline	Date
States' deadline for 2020 EHB-Benchmark Plan selection required document submissions	July 2, 2018
HHS publishes final 2020 EHB-benchmark plan documents on CCIIO's website.	To be determined

- HHS will update the Plans and Benefits Template Add-in file used for 2020 QHP certification.
- HHS will not be able to allow States to submit additional documentation or changes to submitted documents after the deadline.
- Any questions or issues that a State has about the EHB-benchmark plan documents need to be asked and resolved prior to the State's submission deadline.

State Consideration of the EHB- Benchmark Plan Selection

- HHS recognizes most States as the primary enforcers of EHB policy. Thus, when a State selects a benchmark plan from another State, we would defer to the selecting State's interpretation of the benefits and limits, even when such interpretation differs from the originating State's interpretation.

- In selecting a new EHB-benchmark plan, States may want to consider a variety of factors, including:
  - Impact on premium tax credits and subsidies,
  - Spillover effect to other benefits in making benefit changes,
  - Need for consumer education on benefit changes.

Next Steps

- States selecting an EHB-benchmark plan for PY 2020 must submit required documentation to CMS by **July 2, 2018.**
- CMS will review state EHB-benchmark plan documentation.
- State will receive an email notification when EHB-benchmark plan is approved.
- CMS will post all PY 2020 EHB-benchmark related documents publicly on the CMS website.
- CMS will also post a list of states that allow substitution between EHB categories.

Appendix: 2020 EHB-Benchmark Plan

Template and Submission Instructions

Accessing EHB Templates

- States can download EHB templates under the "EHB Templates and Instructions" tab within the PM Community or the CMS website.
  - These templates are under a comment period until May 17, 2018.
- States can also download instructions to complete the draft EHB-benchmark plan templates in the PM Community.
- States selecting an EHB-benchmark plan for PY 2020 must submit documentation to CMS by **July 2, 2018**.
- CMS will post all PY 2020 EHB-benchmark related documents publicly on the CMS website.

Template: EHB-Benchmark Plan Document

Required for Option 1, 2, and 3

- Submit a plan document for the EHB-benchmark plan, which is a comprehensive document that reflects the benefits and limitations, including medical management requirements and a schedule of benefits.
  - For Option 1, the state may submit the plan document from the other state's EHB-benchmark plan used for the 2017 plan year to fulfill this requirement.
  - For Option 2, the state can create a combined plan document by pulling parts of the plan documents from the other state's or states' benchmark plan documents. States may need to make conforming edits in the other states' plan documents to align language and terminology when pulling language from other states' plan documents.
  - For Option 3, the state may need to develop a plan document for this purpose.
- The state can locate EHB-benchmark plan documents on the CMS website under the state's 2017 EHB Benchmark Plan Information link if helpful for states choosing Option 1 or 2.

Template: EHB Summary Chart

Required for Option 1, 2, and 3

- As applicable, fill out this draft template completely.
- Columns B-D must be filled out, whereas the other columns may be left blank if not applicable to the state's benchmark plan.
- If there is a quantitative limit on a benefit, complete the Limit Quantity (Column E) and Limit Unit (Column F) fields. Describe exclusions for each benefit (Column G) if applicable. Add an explanation (Column H) to provide more details on each benefit if applicable.
- States can view each state's summary of EHB Benchmark plan benefits, limits, and prescription drug coverage on the CMS website.

Template: EHB State Confirmation

Required for: Option 1, 2, and 3

- Fill each field (Name, Agency, Phone Number, and Email) under “Points of Contact for the State’s EHB-benchmark Plan Selection.”
- Indicate your state and which EHB-benchmark plan option your state is selecting.
- Confirm that your selected EHB-benchmark plan for 2020 covers all 10 EHB categories and complies with applicable EHB-related requirements.
- **Several of the required Excel fields will vary based on the Option chosen by the state.**

Template: Actuarial Certification and Report

Required for Option 1, 2, and 3

- Complete and submit the Actuarial Certification and associated Actuarial Report.
- The Actuarial Certification and Report must be:
  - from an actuary, a member of the American Academy of Actuaries
  - in accordance with actuarial principles and methodologies
  - affirm that the state's EHB-benchmark plan is equal to or greater than, the scope of benefits provided under a typical employer plan and does not exceed the generosity of the most generous among the set of comparison plans.

Template: Formulary Drug List

Required for Option 3 only

- Fill out this template as a list of RxNorm Concept Unique Identifiers (RXCUIs).
- In Column A (starting on row 7), enter only RXCUIs numerical values.
- If the state creates its own benchmark plan, the state should use the most recent RxNorm information.

Overview of Template Submission Process

1. Log-in to the PM Community.
2. Click “Submit EHB Templates” and click “New.”
3. Select the Option for the PY 2020 EHB-benchmark plan.
4. Click “Save & Next” to navigate to a page to upload the documents (after you fill out the templates as outlined in the previous section).
5. After uploading the documents related to your Option and clicking “Done” after each file upload, click “Save” and navigate to the detail page.

   - Prior to clicking “Submit for Approval,” if the State uploaded an incorrect document then click “View All.” Select the dropdown option button and click “Upload New Version.” The new file will replace the previous version.

   - To submit more than one plan document, click “Add Files” and upload any additional documents before submitting the template.

Overview of Template Submission Process

6. When ready to submit for CMS review, click “Submit for Approval.” You are prompted to a screen titled “Submit for Approval” including a “Comments” box. The “Comments” box is optional.
7. Click “Submit” to submit the templates for CMS review.
8. You will receive a confirmation email upon submission of all required documents.
9. When CMS approves the EHB-benchmark plan, you will receive an email notification.

PM Community: EHB Substitution

If your State allows substitution between EHB categories, you can notify CMS by selecting “EHB Substitution and clicking “Opt-in” within the PM Community.

1. Log-in to the PM Community.
2. Click “EHB Substitution.”
3. Click the “Opt-In” button located on the right-hand side of the screen.
4. You are prompted to a screen with the EHB substitution question. Select “yes” or “no.”
5. If you select “yes,” indicate the plan year your State allows substitution between EHB categories.
6. Click “Complete” to submit your response.
7. You will receive an email confirmation.

Live Q&A

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Questions

Please help us provide an accurate response by identifying your State when asking a question.

To submit or withdraw questions by phone:

- **To submit a question, dial 'star(*) pound(#)' on your phone's keypad.**
- **To withdraw a question, dial 'star(*) pound(#)' on your phone's keypad.**

To submit questions by webinar:

- **Type your question in the text box under the 'Q&A' tab and click 'Send.'**

If you are not able to ask your question during today's session, or if your question is best answered by subject matter experts (SMEs) outside Plan Management (PM), you may submit it via CMS_FEPS@cms.hhs.gov with the subject line "State Question."

State Regulators Webinar Session Survey

- CMS welcomes your feedback regarding this webinar series and values any suggestions that will allow us to enhance this experience for you.
- Shortly after this call, we will send a link to you for a convenient way to submit any ideas or suggestions you wish to provide that you believe would be valuable during these sessions.
- Please take time to complete the survey and provide CMS with any feedback.

Closing Remarks

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