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Re: Summary of services covered by the Essential Health Benefits (EHB) benchmark plans

Dear David:

This letter and corresponding tables are updates to the previous presented at the January 26, 2012 CEBX board meeting.

As requested, we looked at plans representative of the benchmark plans described in the “Essential Health Benefits Bulletin, issued December 16, 2011.” The plans we analyzed were:

- GEHA Federal plan
- BCBS Basic Federal plan
- BCBS Standard Federal plan
- CalPERS Blue Shield Basic HMO
- CalPERS Choice
- CalPERS Kaiser HMO
- Small Group Anthem – Solution 2500 PPO (CDI regulated)
- Small Group Kaiser HMO (DMHC regulated)
- Small Group Anthem Blue Cross – PPO30 (DMHC regulated)
- Commercial Large Group Kaiser HMO

Results

We found broad coverage for medical services such as physician, hospital, emergency services, skilled nursing facility, laboratory, durable medical equipment, and routine preventive and wellness care. We also found all plans covered most conditions and illnesses, including maternity and newborn care, and mental health and nervous disorders.

Our summary does not describe all services covered by each plan. For example, we did not include services that are almost universally covered by comprehensive health plans. Instead, we focused on services where we found variations between plans.

The attached Table 1 summarizes our results. We list the health services where we anticipated there may be variation between the plans, and summarize whether the service was covered by each plan. “U” entries indicate we did not have enough information to determine coverage.

We found variation in coverage between the plans that may be due to existing California mandates for the following services: Acupuncture, Infertility Services (Non-ART), Prosthetic Devices for Laryngectomy, and Special Footwear for Persons Suffering from Foot Disfigurement.

Data sources we used include:

1. **GEHA Federal Plan** (received from HBEX, 1-9-2012)
2. **BCBS Federal Plan - Basic** (received from HBEX, 1-9-2012)
3. **BCBS Federal Plan - Standard** (received from HBEX, 1-9-2012)
4. **CalPERS Kaiser HMO – Kaiser Permanente Basic Plan** (received from Kaiser, 1-12-2012)
5. **CalPERS Blue Shield Basic HMO – Blue Shield Access+ HMO** (www.calpers.ca.gov)
6. **CalPERS Anthem Blue Cross PERS Choice PPO – PERS Choice Basic Plan** (www.calpers.ca.gov)
7. **Small Group Anthem Blue Cross PPO – Anthem Blue Cross Life and Health Small Group Solution 2500 PPO (Z270, 06Z7)** (received from Anthem, 1-13-2012)
8. **Small Group Kaiser HMO – Kaiser Permanente for Small Businesses Evidence of Coverage for Sample Group Agreement Grp Small Nonm – Plan 1637 Plan 30-N; Opt** (received from Kaiser, 1-12-2012)
9. **Small Group Anthem Blue Cross PPO30 – Anthem Blue Cross Small Group PPO \$30 Copay** (received from Anthem, 2-1-2012)
10. **Commercial Large Group Kaiser HMO – Kaiser Permanente Traditional Plan -** (received from Kaiser, 1-12-2012)
11. “Essential Health Benefits Bulletin”, Center for Consumer Information and Insurance Oversight, December 16, 2011
12. “Essential Health Benefits: Comparing Benefits in Small Group Products and State and Federal Employee Plans”, ASPE Research Brief, December 2011

Additional Comments

This report is not meant to represent a comprehensive list of all services covered, nor to be a substitute for the Evidence of Coverage of each plan.

Whether a plan covers a certain service may be influenced by many factors besides the language in the Evidence of Coverage, including the definition and application of medical necessity, evolving clinical practice, agreements between a carrier and its respective regulating agency, and overriding decisions made by the regulating agencies. The focus of this analysis was to identify and compare services described in the Evidence of Coverage documents for the ten benchmark plans. To the extent we were not aware of other factors that may modify the language in the Evidence of Coverage documents, the results of our analysis may likewise be inaccurate or incomplete.

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Qualifications

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. I am a member of the American Academy of Actuaries, and meet the qualification standards for performing the analyses in this report.

Sincerely,



Robert Cosway, FSA, MAAA
Principal and Consulting Actuary

California Health Benefit Exchange: Comparison of Potential Essential Health Benefit Benchmarks

TABLE 1: Services with Coverage or Limit Differences Between Potential California Essential Health Benefit Benchmark Plans

	Federal Plans			California State Employee Plans			Commercial Small Group Plans			Commercial Large Group Plans
	1	2	3	4	5	6	7	8	9	10
	FEHBP - GEHA	FEHBP - BCBS Basic	FEHBP - BCBS Standard	CalPERS Blue Shield Basic-HMO	CalPERS - Choice	CalPERS - Kaiser HMO	Small Group - Anthem PPO - CDI	Small Group - Kaiser HMO - DMHC	Small Group - Anthem Blue Cross PPO30 - DMHC	Commercial Large Group - Kaiser HMO - DMHC
Ambulatory Patient Services										
Acupuncture	Y ¹	Y ²	Y ²	N	Y ³	Y	Y	Y ⁴	Y ²	Y ⁵
Chiropractic	Y ⁶	Y ⁶	Y ⁶	Y	Y ⁷	N	Y	N	Y ⁸	N
Assisted Reproductive Technology (ART)	N	N	N	N	N	N	Y	N	Y ⁹	N
Infertility Services (Non-ART)	Y ¹⁰	Y	Y	Y	N	Y	Y	N	Y ⁹	Y
Hospitalization										
Skilled Nursing Facility	Y ¹¹	N	N	Y ¹²	Y ¹²	Y ¹³	Y ¹²	Y ¹²	Y ¹²	Y ¹²
Hospice Care	Y ¹⁴	Y	Y	Y	Y ¹⁵	Y	Y	Y	Y	Y
Bariatric Surgery	Y ¹⁶	Y	Y	Y	Y	Y	Y	Y	Y	Y
Christian Science	Y ¹⁷	U	U	N	N	N	U	N	U	N
Mental Health and Substance use Disorder Services, Including Behavioral Health										
Non-Severe Mental Illness (non-SMI) Services	Y	Y	Y	Y	N	Y	Y ¹⁸	Y	Y ¹⁸	Y
Substance Abuse	Y	Y	Y	Y	Y	Y	Y ¹⁸	Y	Y ¹⁸	Y
Smoking Cessation Counseling	Y ¹⁹	Y	Y	Y	Y ²⁰	Y	Y	Y	Y	Y
Alcoholism Treatment	Y	Y	Y	Y	Y ²¹	Y	Y	Y	Y	Y
ABA Therapy for Autism	N	N	N	Y ⁴⁹	N	Y ⁴⁹	Y	Y ⁴⁹	Y ⁴⁹	Y ⁴⁹
Prescription Drugs										
Smoking Cessation Drugs	Y	Y	Y	Y	Y ²²	Y	Y ²³	Y	Y ²³	Y
Non Cancer Clinical Trials	Y	Y	Y	U	N	U	N	U	U	U
Pain Medication for Terminally Ill	Y	Y	Y	Y	Y	Y ²⁴	Y	Y ²⁴	Y	Y ²⁴
Rehabilitative and Habilitative Services and Devices										
Rehabilitative	Y	Y	Y	Y	Y ²⁵	Y	Y	Y	Y	Y
Habilitative ⁵⁰	N	N	N	Y ²⁶	Y ²⁶	Y ²⁶	U	Y ²⁶	U	Y ²⁶
Physical And Occupational Therapy	Y ²⁷	Y ²⁸	Y ²⁹	Y	Y ³⁰	Y	Y	Y	Y ³¹	Y
Speech Therapy	Y ³²	Y ²⁸	Y ²⁹	Y	Y ³⁰	Y	Y	Y	Y ³³	Y
Orthotics/Prosthetics	Y	Y	Y	Y	Y ³⁴	Y	Y	Y	Y	Y
Prosthetic Devices for Laryngectomy	U	Y ³⁵	Y ³⁵	Y ³⁶	Y ³⁶	Y	Y	Y ³⁶	Y ³⁶	Y ³⁶
Special Footwear for Persons Suffering from Foot Disfigurement	N	Y	Y	Y	Y ³⁴	Y	Y	Y	Y	Y
Hearing Aids	Y ³⁷	Y ³⁸	Y ³⁸	Y ³⁹	Y ⁴⁰	Y ³⁹	N	N	N	N
Surgically implanted Hearing Devices	Y	Y	Y	Y	Y	Y	N	Y	N	Y
Home Health	Y ⁴¹	Y ⁴²	Y ⁴²	Y	Y ⁴³	Y	Y ⁴⁴	Y ⁴⁵	Y ⁴⁶	Y ⁴⁶
Preventive and Wellness Services and Chronic Disease Management										
HIV/AIDS, AIDS Vaccine (When Available)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Osteoporosis	Y ⁴⁷	Y ⁴⁷	Y ⁴⁷	Y	Y	Y	Y	Y	Y	Y
Diabetes Education	Y ⁴⁸	Y	Y	Y	Y	Y	Y	Y	Y	Y
Pediatric Services, Including Oral and Vision Care										
Pediatric Dental Care ⁵¹	Y	Y	Y	N	N	N	N	N	N	N
Pediatric Vision Care ⁵²	Y	Y	Y	Y	Y	Y	N	Y	N	Y

Y = Covered

N = Not Covered

U = Unknown/Not Specified

California Health Benefit Exchange: Comparison of Potential Essential Health Benefit Benchmarks

TABLE 1: Footnotes

1	20 visits per year	27	60 combined visits with OT
2	24 visits per year	28	50 visits per year
3	15 visits, combined with chiropractic	29	75 visits per year
4	Part of Pain Management program only	30	24 visits per year
5	Part of Pain Management / Nausea Treatment only	31	24 visits per year combined with ST and Chiro
6	12 visits per year	32	30 visits per calendar year
7	15 visits, combined with acupuncture	33	24 visits per year combined with PT, OT, and Chiro
8	24 visits per year combined with PT/OT/ST	34	1 pair inserts per year. No shoes allowed
9	\$2,000 Lifetime Limit	35	\$1,250 annual limit for speech generating devices
10	\$3,000 per year	36	No Coverage for Computerized speech generating devices
11	14 days per admit	37	Every 5 years
12	100 days per year	38	\$1,250 annual limit for children under age 22, \$1,250 limit every 36 months for adults age 22 and older
13	100 days per benefit period	39	\$1,000 every 36 months
14	\$15,000 maximum limit	40	One every 36 months
15	Re-Certification required after 90 days	41	50 per year. 2 hours per visit
16	Re-Certification required after 90 days for those with greater than 40% and 18 years of age with other procedures	42	2 hours per day. 25 days per year
17	50 sessions per year	43	45 visits per year
18	20 Visit Limit / 30 Facility Days per year	44	100 Visits of 4 hours
19	Two attempts per year, four counseling sessions per attempt	45	Two/Four hours per visit, three visits per day, 100 visits per year
20	\$100 per year	46	100 visits per year
21	Provide medically necessary treatment to stabilize an acute substance abuse condition	47	Only women over 60 who are at an increased risk
22	\$100 per year and excludes OTC	48	\$250 per year
23	Excludes OTC	49	Must be a healthcare service and provided by a licensed provider
24	100 days supply	50	Under one option in the Bulletin, whichever Benchmark Plan is chosen, rehabilitative must be covered under same terms as in PT/OT/ST for rehabilitative care.
25	Cardiac Rehab limited to 40 visits per year	51	Under the Bulletin, If the benchmark plan does not cover Pediatric Dental, then this service must be covered as it is in the CHIP or FEDVIP Dental
26	Only to maintain activities of daily living	52	Under the Bulletin, If the benchmark plan does not cover Pediatric Vision, then this service must be covered as it is in the FEDVIP Vision Program.