



Oregon Essential Health Benefits Advisory Committee Meeting

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Objectives

- Review revised benefit comparison by benchmark option
 - Includes revisions reported by plans
 - Includes Wakely refinements
- Review estimated cost differences by benchmark option
 - Identify key benefit variations driving premium differences
- Additional documents to reference
 - Revised Comparison of Benefits by Benchmark Option
 - Overview of Key Benefit Differences and Premium Impact

Considerations

- Essential Health Benefits (EHB) are defined by covered benefits, including quantitative limitations, but do not include cost sharing, delivery method, provider type or medical management (e.g., pre-authorization)
- States must pick a single benchmark option to define the package of benefits, they cannot pick and choose covered benefits across different benchmark options (exceptions apply if an entire EHB category is not covered by the benchmark)
- Annual and lifetime maximums are prohibited, but can be converted to other quantitative limits (e.g., visit limits)
- There are some benefits for which the contract documents are silent or unclear, we have updated the benefit comparison to reflect revisions reported from plans (except federal employee plans)

Methodology

- 2013 Truven MarketScan data for Oregon was generally used to price the benefit differences
 - MarketScan is a large national database of medical and pharmacy claims, made up of individuals predominantly covered by large group insurance
 - The Oregon dataset includes more than 280,000 lives
- Estimated cost differences for benefits without sufficient MarketScan data were based on research of available sources, these include
 - Accidental dental
 - Infertility
 - Weight loss programs
- Costs were trended to 2017

Methodology

- Impacts were estimated by considering the benefit independent of downstream effects
 - For example, if infertility treatment is covered it might also increase maternity costs, resulting from a higher incidence of high cost multiple births. However, only the estimated cost of the infertility benefit is included in the estimates.
- Benefit differences assumed to have minimal cost impact were not included in the analysis. For example, inpatient rehabilitation - benchmarks have slightly different limits, cost differences assumed to be immaterial

Methodology

- Cost comparisons do not include differences in benefits that will be supplemented for at least one benchmark option, or are subject to a mandate or other coverage requirements
 - Prescription drugs
 - Pediatric oral and vision
 - Habilitative services
 - Provider non-discrimination
- Cost comparisons do not include benefits that cannot be considered EHB
 - Routine non-pediatric dental services
 - Routine non-pediatric eye exam services
 - Long-term / custodial nursing home care benefits
 - Non-medically necessary orthodontia

Premium Impact of Benefit Differences

- Key benefit differences are summarized in separate exhibit
- The benefit differences with the greatest impact to premiums include the following:
 - Spinal manipulation
 - Outpatient rehabilitation (varying limits)
 - Acupuncture
 - Hearing aids - adults
 - Weight loss programs
 - Infertility
 - Home health (varying limits)
 - Bariatric surgery
 - Private duty nursing

Premium Impacts

- Given that it is the closest to the current EHB, PacificSource is used as the baseline plan
- Premium impacts assume silver level plan (70% AV)
- All other plans are shown relative to the baseline. For example, if a plan's Premium Impact is \$2.50-\$3.50, it is that much richer than the baseline plan and the baseline plan's premium would need to increase by this amount if this plan was chosen as the benchmark
- Actual premium impacts will vary from the estimates provided by
 - Health insurer attributes: provider contracting, medical management, pricing strategy
 - Benefit design: metal level, cost sharing
 - Enrollee demographics: age, geography, health status

Premium Impacts

- PacificSource and HealthNet small plans have the leanest benefit coverage
- The PEBB Providence plans have the richest benefit coverage

Benchmark Option	Premium Rank (Lowest to Highest)	Estimated Silver Premium PMPM Impact of Benefit Differences	Impact as % of Premium (assuming \$420 PMPM)
Small Group 1 – PacificSource (baseline)	1	\$0.00	0.0%
Small Group 2 – HealthNet	2	\$1.00 - \$2.00	0.2% - 0.5%
Small Group 3 – United	4	\$2.00 - \$3.00	0.5% - 0.7%
State Employee 1 – PEBB Providence Statewide	8	\$6.50 - \$8.50	1.5% - 2.0%
State Employee 2 – PEBB Providence Choice	8	\$6.50 - \$8.50	1.5% - 2.0%
State Employee 3 – Kaiser	3	\$1.50 - \$2.50	0.4% - 0.6%
Federal Employee 1 – BCBS Standard	6	\$5.00 - \$6.50	1.2% - 1.5%
Federal Employee 2 – BCBS Basic	5	\$4.50 - \$6.00	1.1% - 1.4%
Federal Employee 3 - GEHA	6	\$5.00 - \$6.50	1.2% - 1.5%

Supplementation Overview

- If base-benchmark plan excludes items or services within an EHB category, it must be supplemented by the addition of that category of services from another benchmark option
- Pediatric dental/vision can be supplemented with
 - FEDVIP dental/vision plan with the largest national enrollment
 - State's separate CHIP plan with the highest enrollment
 - Separate election can be made for dental/vision
- If base-benchmark doesn't include habilitative services, State may determine services to include
 - Otherwise, federal definition applies: *Health care services and devices that help a person keep, learn, or improve skills and functioning for daily living (habilitative services). Examples include therapy for a child who is not walking or talking at the expected age. These services may include physical and occupational therapy, speech-language pathology and other services for people with disabilities in a variety of inpatient and/or outpatient settings.*

Supplementation Requirements

- The following outlines the benefits that would potentially need to be supplemented for each benchmark
 - Yes = supplementation needed
 - No = supplementation not needed

Benefit Category		Small Group Plans			State Employee Plans			Federal Employee Plans		
		Pacific-Source	HealthNet	United	PEBB Providence Statewide	PEBB Providence Choice	Kaiser Permanente	BCBS Standard Option	BCBS Basic Option	GEHA
7	Habilitative Services	Unclear	YES	NO	YES	YES	YES	YES	YES	NO
10	Pediatric Services - Oral Care	YES	YES	YES	YES	YES	YES	NO?	NO?	YES
	Pediatric Services - Vision Care	YES	YES	NO	YES	YES	NO	YES?	YES?	NO?

Next Steps

- Follow up on outstanding questions
- Determine supplementation approach
- Finalize benchmark selection

Questions

