



## Essential Health Benefits

### OVERVIEW

The Affordable Care Act (ACA) requires the establishment of an “essential health benefits (EHB) package” for certain health insurance plans including qualified health plans (QHPs) and the Medicaid expansion population. In 2011, the Secretary of the US Department of Health and Human Services (HHS) determined states should define and update the EHB package by choosing among 4 benchmarks provided by the Center for Medicare and Medicaid Services (CMS), and supplement those benchmarks to ensure all 10 categories of EHB are met. Because each state chooses its own EHB benchmark plan, uniformity is lacking, resulting in inconsistent coverage for children.

Most benchmark plans did not include coverage for the categories of habilitative services and pediatric oral and vision care, which were required to be supplemented using HHS guidance.

The current administration has proposed new rules related to EHB, which could allow states to eliminate or limit EHB benefits. These rules have not yet been made final and would begin in 2019.

### AAP POSITION

- Medicaid’s Early and Periodic Screening, Diagnosis and Treatment (EPSDT) guarantee or the Children’s Health Insurance Program’s (CHIP) benefit package should be the benchmark plan for children, to ensure all children receive the care they need.
- Habilitation services should be offered at parity with rehabilitation services.
- In instances where states need to supplement pediatric oral or vision services in the EHB benchmark plan, states should use the most robust option available for these services.
- States should prohibit benefit substitution within EHB categories. If permitted, substitutions should be extremely limited and ensure that benefit packages meet the needs of children.

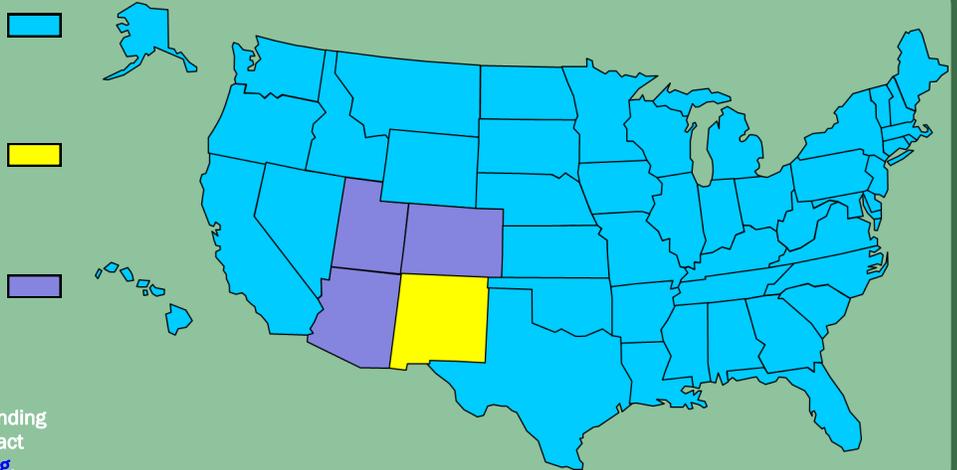
## FACTS

- Under current regulations, an EHB package must include the these 10 benefits: 1) ambulatory patient services, 2) emergency services, 3) hospitalization, 4) maternity and newborn care, 5) mental health and substance use disorder services, 6) prescription drugs, 7) rehabilitative and habilitative services and devices, 8) lab services, 9) preventive and wellness services and chronic disease management, and 10) pediatric services, including oral and vision care.
- States can select EHB benchmark plans from:
  - the largest plan by enrollment in any of the state's 3 largest small group insurance products;
  - any of the 3 largest state employee health plans by enrollment;
  - any of the 3 largest national Federal Employee Health Benefit Plan (FEHBP) plan options by enrollment;
  - the largest insured commercial non-Medicaid Health Maintenance Organization (HMO) in the state.
- If a benchmark plan is not chosen, the state defaults to the largest small group insurance product.

## PROGRESS

[State choices for 2017 plan year]

- 46 states and DC – largest small group product
- 1 state – largest HMO product
- 3 states – state employee product



## MORE

- [State Roles in Defining Essential Health Benefits](http://www.aap.org/en-us/advocacy-and-policy/state-advocacy/Documents/AAP_EHB_Recommendations.pdf) – [www.aap.org/en-us/advocacy-and-policy/state-advocacy/Documents/AAP\\_EHB\\_Recommendations.pdf](http://www.aap.org/en-us/advocacy-and-policy/state-advocacy/Documents/AAP_EHB_Recommendations.pdf)
- [The ACA's Pediatric Essential Health Benefit Has Resulted in a State-By-State Patchwork Of Coverage With Exclusions](http://content.healthaffairs.org/content/33/12/2136.full.pdf) – <http://content.healthaffairs.org/content/33/12/2136.full.pdf>
- [A Comparative Review of Essential Health Benefits Pertinent to Children in Large Federal, State, and Small Group Plans: Implications for Selecting Benchmark Plans](http://www.aap.org/en-us/about-the-aap/aap-press-room/Documents/AAP_EHB_Report_FinalPress.pdf) – [www.aap.org/en-us/about-the-aap/aap-press-room/Documents/AAP\\_EHB\\_Report\\_FinalPress.pdf](http://www.aap.org/en-us/about-the-aap/aap-press-room/Documents/AAP_EHB_Report_FinalPress.pdf)
- [Administration's Proposed Changes to Essential Health Benefits Seriously Threaten Comprehensive Coverage](https://www.cbpp.org/sites/default/files/atoms/files/11-7-17health.pdf) – <https://www.cbpp.org/sites/default/files/atoms/files/11-7-17health.pdf>