Chairman Phil Mendelson
at the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill, which was referred to the Committee on _____.

To amend the Health Benefit Exchange Authority Establishment Act of 2011 to promote meaningful choice, provide enhanced benefits, and build a competitive private insurance marketplace for the residents and small business owners of the District of Columbia by not limiting the number of qualified health plans in the Exchange, requiring health plans to offer plan options at the bronze, silver and gold metal levels, developing at least one standardized plan option at each metal level to promote meaningful choice, creating one large marketplace that provides individuals, small businesses, and their employees the same leverage as large companies, and defining habilitative services to include keeping or improving functioning, including treatment of autism.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Better Prices, Better Quality, Better Choices for Health Coverage Amendment Act of 2013".

Sec. 2. The Health Benefit Exchange Authority Establishment Act of 2011, effective March 2, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act"), is amended as follows:

(a) Section 2 of the Act (D.C. Official Code § 31-3171.01) is amended as follows:

(1) A new paragraph (18) is added to read as follows:

"(18) "Metal level" means the bronze, silver, gold, and platinum levels of coverage as defined in section 1302(d)(1) of the Federal Act."

(b) Section 10 of the Act (D.C. Official Code § 31-3171.09) is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Sub-subparagraph (5)(B)(i) is amended by striking the phrase "at least one qualified health plan at the silver level and at least one plan at the gold level" and inserting the phrase "at least one qualified health plan at the bronze level, at least one qualified health plan at the silver level, and at least one qualified health plan at the gold level" in its place.

(B) Paragraph (7) is amended by striking the period at the end of the paragraph and inserting a semi-colon in its place.

(C) New paragraphs (8), (9), (10), (11), (12), and (13) are added following paragraph (7), to read as follows:

"(8) Provide accurate attestations as required in the initial certification process;

"(9) Offer one or more standardized plan(s) as approved by the Executive Board for the Authority, at each metal level in which the carrier is participating, in addition to other plans the carrier may offer;

"(10)(A) Offer plans subject to a meaningful difference standard.

"(B) The meaningful difference standard is as defined in Chapter 1, section 4(ii) of "Affordable Exchanges Guidance" dated March 1, 2013, by the Centers for Consumer Information and Insurance Oversight at the Centers for Medicare and Medicaid Services in the U.S. Department of Health and Human Services, or as may be defined by the Executive Board for the Authority;

"(11) Comply with the Mental Health Parity and Addiction Equity Act of 2008 as applied to the Federal Act, including, but not limited to, covering behavioral health inpatient and outpatient services for mental health and substance use disorders without day or visit limitations;

"(12) Provide a drug formulary that includes, at a minimum, the greater of either the number of drugs listed in each category and class found in the District's base-benchmark plan formulary, or the minimum number of drugs, by category and class, as established by the Center for Consumer Information and Insurance Oversight in the Centers for Medicare and Medicaid Services at the U.S. Department of Health and Human Services; and

"(13) Provide benefits identical to the essential health benefits package as defined by the District without benefit substitution."

(2) Subsection (b) is amended as follows:

(A) Paragraph (2) is amended by striking "or".

(B) Paragraph (3) is amended by striking the period at the end of the paragraph and inserting "; or" in its place.

(C) A new paragraph (4) is added to read as follows:

"(4) On the basis of the number of qualified health plans being offered."

(3) A new subsection (g) is added to read as follows:

"(g) A qualified health plan may provide additional services that are not in the essential health benefits package required in paragraph (a)(1), only if such services are eligible for claims submission and reimbursement."

(c) A new section 10a is added to read as follows:

"Sec. 10a. Distribution of individual and small group health benefit plans.

"(a) A carrier that offers individual or small group health benefit plans shall offer such plans solely through the District's American Health Benefit Exchange, as established pursuant to § 31-3171.04(a) subject to the following transition:

"(1) Individual health benefit plans with plan years beginning on or after January 1, 2014, shall be offered solely through the District's American Health Benefit Exchange;

"(2) On or after January 1, 2014, small group health benefit plans offered to any small business that was not insured as of December 31, 2013, shall be offered and issued solely through the District's American Health Benefit Exchange;

"(3) Small group health benefit plans offered to or renewed by any small business that was insured as of December 31, 2013, may be issued or renewed during calendar year 2014 through existing distribution channels with the same carrier or a new carrier, except that such plans shall meet the qualifications for certification of a qualified health plan as provided in § 31-3171.09; and

"(4) On or after January 1, 2015, all small group health benefit plans shall be offered and issued or renewed solely through the District's American Health Benefit Exchange.

"(b) "Habilitative services" are defined as health care services that help a person keep, learn, or improve skills and functioning for daily living, including, but not limited to, applied behavioral analysis for the treatment of autism spectrum disorder.

"(c) The requirements of this section shall not apply to grandfathered health plans as defined in section 1251 of the Federal Act."

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act,

approved December 24, 1973 (87 Stat. 813; Pub. L. 93-198; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective Date.

This Act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30 day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; Pub. L. 93-198; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.