



April 30, 2019

Addendum
New Recommendation of the Standard Plans Advisory Working
Group to the District of Columbia Health Benefit Exchange
Authority

This addendum to the February 13, 2019 report is submitted by the Standard Plans Advisory Working Group, chaired by Dania Palanker.

Background

After the working group's report dated February 13, 2019 was issued, and its recommendations adopted by the Executive Board on the same date, the U.S. Department of Health & Human Services, Centers for Medicare & Medicaid Services (CMS) issued a final rule, "Notice of Benefit and Payment Parameters for 2020." For these purposes, this final rule deviated from the earlier draft rule in one material respect: the maximum out-of-pocket spending limit (MOOP) was set for 2020 at \$8,150. (The MOOP was \$8,200 in the draft rule.)

The 2020 Standard Plans were run again through the actuarial value calculator to test compliance with the federally-required actuarial value (AV). The previously-adopted bronze copay plan was no longer in compliance with the AV as it came in .04% above the limit. Also, the MOOP of the previously-adopted bronze copay plan had been set at \$8,200 and was above the limit set in the final rule.

The working group met on April 30, 2019 to review the bronze copay options that had been developed by HBX contract actuaries through the course of the working group's meetings that resulted in the Report dated February 13, 2019.

Discussion

Bronze: The working group discussed the major considerations from its previous discussions on the bronze copay plan:

- 1) Keep as many services as possible not subject to the deductible.
- 2) Keep doctor and office visits copays as low as possible within the constraints of the AV.
- 3) Keep the prescription drug (Rx) deductible as low as possible within the constraints of the AV.

The working group discussed that people with chronic conditions generally manage those conditions through doctor and office visits, and prescription drugs. In all likelihood more people will use prescription drugs and hit the Rx deductible than will need other high cost services, such as hospitalization, so keeping the Rx deductible was important to the working group members. Various AV compliant options raised the coinsurance for high cost services above the 2019 standard bronze copay plan, but kept doctor and office visits, and the prescription drug deductible, lower than they could be if the coinsurance for high cost services remained the same or was raised less. Working group members noted that with such a high overall deductible in the bronze copay plan, \$8,000, and coinsurance applying to fewer and less utilized services, it made sense to try to keep costs as low as possible for the more frequently used services.

The working group reached consensus on an alternative bronze copay plan that differs from the previously-adopted bronze copay plan as follows:

- The MOOP is \$8,000 rather than \$8,200.
- Coinsurance for high cost services, such as hospitalization, is raised to 40% from 30%.
- Rx deductible is raised to \$750 from \$650.

This approach allows doctor and office visits to remain the same. This plan results in an AV of 64.96%, the same as the previously-adopted plan.

Consensus: Recommend the bronze standard plan as outlined above.

Recommendation

Over the course of the meeting, the working group reached consensus to recommend amendments to the previously-adopted bronze copay 2020 standard plan as noted above and reflected in the attached display for bronze copay plan year 2020. (Attachment)

Working Group Members

The Standard Plans Advisory Working Group is comprised of representatives from qualified health plans, consumer groups and trade associations. One meeting was held on April 30, 2019 by conference call and this consensus recommendation was reached.

Dania Palanker, Chair	Georgetown
Marcy M. Buckner	National Ass'n of Health Underwriters
Dave Chandrasekaran	DC Health Link Consumer
Stephanie Cohen	Golden & Cohen (NFP)
Kris Hathaway	America's Health Insurance Plans
Cheryl Fish-Parcham	Families USA
Robert Metz, Jennifer Storm, Dave	CareFirst
John Fleig	UnitedHealthcare
Renee Vis, Tiffinie Severin	Kaiser Permanente
Colin Reusch	Children's Dental Health Project
Staff Advisors & Support	
Mary Beth Senkewicz	HBX
Howard Liebers	DISB
Ryan Mueller, Sarah Langford	Oliver Wyman

Standard Plans Advisory Working Group
Bronze Copay Plan 20192020

Actuarial Value		64. 89 <u>96</u> %	
Individual Overall Deductible		\$7, 250 <u>800</u>	
Other individual deductibles for specific services			
Medical		\$6, 650 <u>7,250</u>	
Prescription Drugs		\$ 600 <u>750</u>	
Dental		\$0	
Individual Out-of-Pocket Maximum		\$ 7,900 <u>8,000</u>	
Common Medical Event	Service Type	Member Cost Share	Deductible Applies
Health Care Provider's Office or Clinic visit	Primary care visit or non-specialist practitioner visit to treat an injury or illness	\$ 50 <u>55</u>	
	Specialist visit	\$ 80 <u>100</u>	
	Preventive care/screening/immunization	\$0	
Tests	Laboratory tests	\$55	X
	X-rays and diagnostic imaging	\$80	X
	Imaging (CT/PET scans, MRIs)	\$500	X
Drugs to treat Illness or Condition	Generic	\$25	
	Preferred brand	\$75	X
	Non-preferred Brand	\$100	X
	Specialty	\$150	X
Outpatient Surgery	Facility fee (e.g. hospital room)	25 <u>40</u> %	X
	Physician/Surgeon fee	25 <u>40</u> %	X
Outpatient Non-surgical Clinic Visit*	Non-surgical service, not otherwise elaborated herein, rendered in the outpatient department of a hospital/hospital clinic	25 <u>40</u> %	X
Need Immediate Attention	Emergency room services	25 <u>40</u> %	X
	Emergency medical transportation	25 <u>40</u> %	X
	Urgent Care	\$100	
Hospital Stay	Facility fee (e.g. hospital room)	25 <u>40</u> %	X
	Physician/surgeon fee	25 <u>40</u> %	X
Mental/Behavioral Health	M/B office visits	\$ 50 <u>55</u>	
	M/B outpatient services	10 % <u>\$0</u>	
	M/B inpatient services	25 <u>40</u> %	X
Health, Substance Abuse needs	Substance abuse disorder office visits	\$ 50 <u>55</u>	
	Substance abuse disorder outpatient services	10 % <u>\$0</u>	
	Substance abuse disorder inpatient services	25 % <u>40</u> %	X
Pregnancy	Prenatal care and preconception services	\$0	
	Delivery and all inpatient services	25 <u>40</u> %	X
			X

*Coinsurance may not apply in a staff model HMO setting.

Help recovering or other special health needs	Home health care (up to 90 visits for 4 hours per calendar yr)	\$50	X
	Outpatient rehabilitation services	\$50	X
	Outpatient habilitation services	\$50	X
	Skilled nursing care	25 40%	X
	Durable medical equipment	25 40%	X
	Hospice services	25 40%	X
Child eye care	Eye exam (OD)	\$50	
	1 pair of glasses per year (or contact lenses in lieu of glasses)	\$0	
Child Dental Diagnostic and Preventive	Oral Exam	\$0	
	Preventive - cleaning	\$0	
	Preventive- x-ray	\$0	
	Sealants per tooth	\$0	
	Topical fluoride application	\$0	
Child Dental Basic Services	Amalgam Fill – 1 surface	\$41	
Child Dental Major Services	Root canal - molar	\$512	
	Gingivectomy per Quad	\$279	
	Extraction – single tooth exposed root or	\$69	
	Extraction – complete bony	\$241	
	Porcelain with Metal Crown	\$523	
Child Orthodontics	Medically necessary orthodontics	\$3,422	