



The District's Dime

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DC Health Exchange Approves Consumer Friendly Essential Health Benefit Rules

By Wes Rivers

The District took an important step this week to make sure that private health insurance plans in the city offer a solid set of basic benefits, including prescription drugs, mental health, and substance abuse services. The DC Health Benefits Exchange board approved modifications to a minimum set of services — known as the [Essential Health Benefits \(EHB\) package](#) — that will apply to all health plans sold to individuals and small businesses in the District starting in 2014. The package reflects consensus recommendations from a broad-based stakeholder working group.

The process started last fall, when DC selected the most commonly purchased health plan used by small businesses in the area — a CareFirst plan — as the starting point for the city's essential benefits package. The District then appointed a stakeholder workgroup to address some remaining details needed to comply with federal guidelines. The Exchange's governing board approved the group's recommendations this week, with the following important elements.

- **A core set of health services without substitutions:** The approved essential health benefits package requires all health plans sold in the District to cover the same core services. Insurers will not be able to modify any plan's core services by "benefit substitution" under which they reduce one benefit and increase another at the same "value." Substitution, if allowed, could result in health plans that don't serve people with certain health conditions. DC's actions to prohibit substitution ensure that District consumers will have access to a comprehensive set of health services.
- **Mental health and substance abuse services:** The adopted package requires all health plans to cover these services and prohibits insurers from setting limits on the number of visits or the number of days that behavioral services can be received. This move to create coverage parity between behavioral health services and other health services is an important step to addressing the mental health disparities within the District.
- **Prescription drug coverage:** The adopted essential benefits package requires every plan to offer at least one drug in every class and category of prescription drugs covered by the essential health benefits benchmark plan. This means consumers will have access to needed drugs, no matter what plan they choose.

It is important to note that the 35-member work group that developed these recommendations represented health insurers, providers, brokers, patients, community-based organizations, and the District government. The group adopted its recommendations by consensus, which the Exchange's governing board then approved in a unanimous decision.

The District's essential health benefits package represents progress in establishing consistent, high quality health plans in the market and a victory for the Exchange's community-based working group process. DCFPI applauds the efforts of the working group and the Exchange board, and hopes forthcoming issues are approached with the same thoughtfulness and diligence.