

# Plan Management

New Proposed Rule Updates;  
Policies and Procedures: Application Evaluation Process

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Arkansas Plan Management Advisory Committee  
December 14, 2012





# Agenda

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- **New Proposed Rules Overview**
- **Essential Health Benefit Rule Updates**
- **OPM Plan Rule Updates**
- **Policies and Procedures Application Evaluation**
  - Updates on development of policies and procedures
  - SERFF Updates from NAIC Conference
  - Evaluation Criteria and Checklists
  - Outstanding Questions
  - Next Steps

# New Proposed Rules Overview

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- November 26, 2012 – Standards Related to Essential Health Benefits, Actuarial Value, and Accreditation
- November 26, 2012 – Health Insurance Market Rules
- November 26, 2012 – Incentives for Wellness Programs
- November 30, 2012 – HHS Benefit and Payment Parameters
- December 10, 2012 – Frequently Asked Questions

# Essential Health Benefit Rule Updates

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- Habilitative Services
  - December 16, 2011 bulletin specified that habilitative services may be supplemented by the following process:
    - Habilitative services would be offered at parity with rehabilitative services as defined by the benchmark, or
    - As a transitional approach, plans would decide which habilitative services to cover and report to HHS.
  - November 20, 2012 proposed rule adds an additional option under which States may define the set of habilitative services offered directly.
  - Arkansas Health Committee was tasked with examining this option and proposing a solution.

# Essential Health Benefit Rule Updates

- Pediatric Services
  - The November proposed rule states that HHS interprets pediatric to mean individuals under age 19.
- Pediatric Vision
  - December guidance allowed states to supplement benchmark based on Federal Employees Dental and Vision Insurance Program (FEDVIP) benefits.
  - November proposed rule added the option of supplementing based on CHIP coverage.
  - AR Kids B covers up to age 19. The following table compares AR Kids B coverage to the FEDVIP coverage.

FEDERAL VISION			ARK VISION - under 21 (B)		
Services	Description	Limitations	Services	Description	Limitations
<b>Diagnostic</b>	Eye exam	1X per year	<b>Diagnostic</b>	Eye exam	1X per year, \$10 copay
				Surgical evaluation	if meets specific diagnoses
<b>Glasses/Lenses</b>	Prescription glasses or contacts		<b>Glasses/Lenses</b>	Eye wear	1X per year, \$10 copay
	Lenses: single, conventional bifocal/trifocal, lenticular	1 pair per year		Lenses	plastic or polycarbonate only
	Frame	1 frame per every other year		Eye glass repair	if originally purchased through program
	Contact lens care	1 pair per year in lieu of eyeglasses		Lost or broken eyewear replacement	1X only within benefit period, each additional pair req. prior authorization
				Contact lenses	only if medically necessary, prior authorization
<b>Other</b>	Low vision coverage	needs preauthorization	<b>Other</b>	Eye prosthesis	prior authorization
	Various lens types/coating	subject to copay		Polishing services	prior authorization
	Polarized lenses			EPSDT program	Covers services medically necessary, that are permitted under federal Medicaid regulations
	Medically necessary contact lenses				
	Low vision evaluation	1 eval/5 years, follow ups (4 visits/5 years), allowance			

# Essential Health Benefit Rule Updates

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- Pediatric Dental
  - AR Kids B coverage was chosen as the supplement option for pediatric dental.
  - AR Kids B covers children up to age 19 currently, in agreement with CCIIO's new stance on pediatric services.
- Prescription Drugs
  - Pharmacy benefits are included under the chosen benchmark plan for Arkansas.
  - Issuers must ensure coverage for 1) at least one drug in every category and class or 2) the same number of drugs per category and class as the benchmark, whichever is greater.

# Office of Personal Management Rule

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- Office of Personal Management (OPM) is required to contract with multi-state plans that will offer QHPs in every state.
- Essential Health Benefits
  - Multi State Plans (MSPs) must offer benefits that are substantially equal to either:
    - The EHB plan in each State where the product is offered; or
    - One of the three largest Federal Employees benefit plans plus state mandates.
  - Should the state choose to define the set of habilitative services required, MSPs will be required to follow that definition.



# Office of Personal Management Rule

- Additional MSP Requirements
  - Must comply with State laws as long as such laws are not inconsistent with the requirements of the Affordable Care Act and Public Health Services Act;
  - Must comply with ACA-defined QHP certification standards;
  - MSP will submit rate, benefit, and value information to OPM for review. OPM will conduct premium negotiations and review all submitted information;
    - States will have the opportunity to review all plans following OPM review and work with OPM to resolve any disputes or inconsistencies.
  - MSP must comply with standards set forth for reinsurance, risk adjustment, and risk corridors; and
  - Must offer a child-only plan at the same plan level as other QHPs offered, consistent with requirements of State-specific QHPs.

# P&P for Application Evaluation

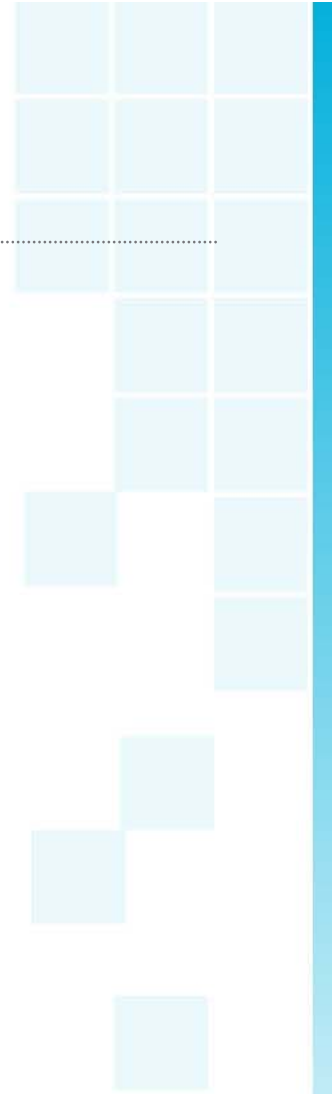
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- Progress Update: Met with Life and Health, Legal, Finance, and Exchange Divisions to define policies and procedures for application evaluation
- Next steps include completion of application and rate and form filing checklists and development of policies and procedures for oversight and monitoring functions
- CCIIO has indicated that there will be guidance on the QHP evaluation process (TBD)

# P&P for Application Evaluation

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- SERFF Updates from NAIC Conference
  - March 28<sup>th</sup> Release Date
  - Included Features
    - Required application data elements forthcoming
    - Plans inside/outside exchange submitted once
    - Accreditation information will be available in SERFF





[Filings](#) | [Plan Management](#) | [Messages](#) | [Billing](#) | [Settings](#) | [Filing Rules](#) | [Templates](#)  
[My Plan Binders](#) | [Create Plan Binder](#) | [Plan Management General Instructions](#)

**Company Name:** 
**Authors:** Nan Schaefer
 **Date Submitted:** Not yet submitted.
 **SERFF Tracking Num:** NCJI-1250

**Plan Binder Name:** 
**Reviewers:**
**SERFF Status:** Draft
 **State Tracking Num:**

**Plan Year:** 2014
 **Company Tracking Num:** 
**Company Status:**









**Market Type:** Individual

[Plans](#) | [Associate Schedule Items](#) | [Fees](#) | [Templates](#) | [User Added Items](#) | [Company and Contact](#) | [Correspondence](#)

Plan Name	Company Plan ID	Metal Level	Actuarial Value	Plan Availability	State Status	HIOS Product ID
Plan 1A- Individual	<input type="text" value="33221"/>	Bronze <input type="button" value="v"/>	<input type="text" value="77.9"/>	<input type="checkbox"/> Inside Exchange <input type="checkbox"/> Outside Exchange		<input type="text"/>
Plan 2A- Individual	<input type="text" value="44332"/>	Silver <input type="button" value="v"/>	<input type="text" value="88.7"/>	<input type="checkbox"/> Inside Exchange <input type="checkbox"/> Outside Exchange		<input type="text"/>
Plan 3A- Individual	<input type="text" value="67843"/>	Gold <input type="button" value="v"/>	<input type="text" value="94.6"/>	<input type="checkbox"/> Inside Exchange <input type="checkbox"/> Outside Exchange		<input type="text"/>

Plans Associate Schedule Items Fees Templates User Added Items Company

Expand All Collapse All

- 
**Administrative Data Template**  
 Attachment:  [QHP Administrative Template.xls](#)  
 Attachment Status: Pending Validation  
 Comments:  
 New Admin
- 
**Benefit and Cost Sharing Template**  
 Attachment:  [QHP Benefit & Cost Share Template.xls](#)  
 Attachment Status: Pending Validation  
 Comments:  
 Benefit & Cost sharing
- 
**Formulary Data Template**  
 Attachment:  [QHP FormularyTemplate.xls](#)  
 Attachment Status: Pending Validation  
 Comments:  
 Formulary updated as if 11/1/2012
- 
**Rate Data Template**  
 Attachment:  [QHP Rate Template.xls](#)  
 Attachment Status: Pending Validation  
 Comments:  
 Rates with heading

## Disposition for Binder NCJI-125000740

Save Apply Cancel


**Binder tracking Number:** NCJI-125000740 **State:** Alabama  
**Company:** NJC Insurance Company  
**Company Tracking Number:** NJC-11082012-Indiv  
**Market Type:** Individual **Plan Year:** 2014  
**Binder Name:** NJC Exchange Plans

	Approved	Certified	Ratified
Plan 1A - Individual	<input type="text"/>	<input type="text"/>	
Plan 2A - Individual	<input type="text"/>	<input type="text"/>	
Plan 3A - Individual	<input type="text"/>	<input type="text"/>	

Comments:

Attach Files

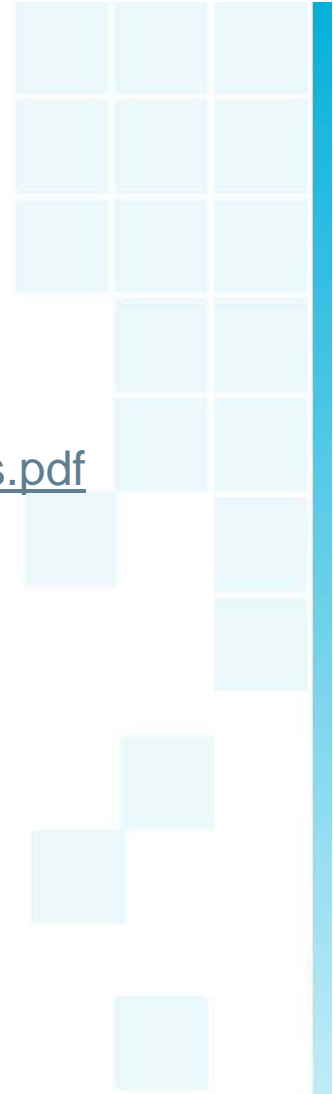
Save Apply Cancel

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# P&P for Application Evaluation

- Additional Screenshots and information can be found here:

[http://www.serff.com/documents/hix\\_121127\\_forum\\_vi\\_presentations.pdf](http://www.serff.com/documents/hix_121127_forum_vi_presentations.pdf)



# P&P for Application Evaluation

- Application Review Checklists

Arkansas Plan Management Checklist			
Plan Number: XXXXXXXX	SERFF Number:	XXXXXXX	
QHP Issuer Application Receipt	Rule/regulation/statute	Yes	No
Application data is complete		<input type="checkbox"/>	<input type="checkbox"/>
Received Final QHP Issuer Application Submission Attestation		<input type="checkbox"/>	<input type="checkbox"/>
QHP Issuer Notified of Application Acceptance		<input type="checkbox"/>	<input type="checkbox"/>
Evaluation of QHP Issuer Application	Rule/regulation/statute	Yes	No
<i>Accreditation and Quality Standards</i>			
45 CFR 156.275			
Applicant has <i>exchange</i> accreditation through NCQA and/or URAC, or:		<input type="checkbox"/>	<input type="checkbox"/>
Year 1- Applicant has applied for <i>exchange</i> accreditation through NCQA and/or URAC			
Year 2- Issuer procedures and policies are accredited			
Attestations and supporting documentation are accurate and complete or accreditation is verified in SERFF		<input type="checkbox"/>	<input type="checkbox"/>
<i>Complaint and Compliance</i>			
Requested complaint and compliance information received and reviewed		<input type="checkbox"/>	<input type="checkbox"/>
<i>Cost-Sharing Reductions</i>			
TBD		<input type="checkbox"/>	<input type="checkbox"/>
45 CFR 156.225			
Benefit Design		<input type="checkbox"/>	<input type="checkbox"/>
Checklist received		<input type="checkbox"/>	<input type="checkbox"/>
Inclusion of all 10 Essential Health Benefits that meet or exceed benchmark plan, including:		<input type="checkbox"/>	<input type="checkbox"/>
Ambulatory patient services		<input type="checkbox"/>	<input type="checkbox"/>



# P&P for Application Evaluation

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- Outstanding Questions
  - Awaiting clarification from SERFF regarding the separation of application review for plans inside and outside the exchange
  - Awaiting clarification from CCIIO on cost-sharing reductions - how will states verify plan compliance with cost-sharing reduction requirements?
  - Are states required to submit marketing materials/content to CCIIO for approval?

# Next Steps

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- Finalize checklists and procedures for application evaluation
- PMAC topic for 2013: Policies and Procedures Manual for oversight and monitoring functions



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