



Health Insurance Updates: Balance Billing Protections, Network Adequacy, Standardized Plans

And More!

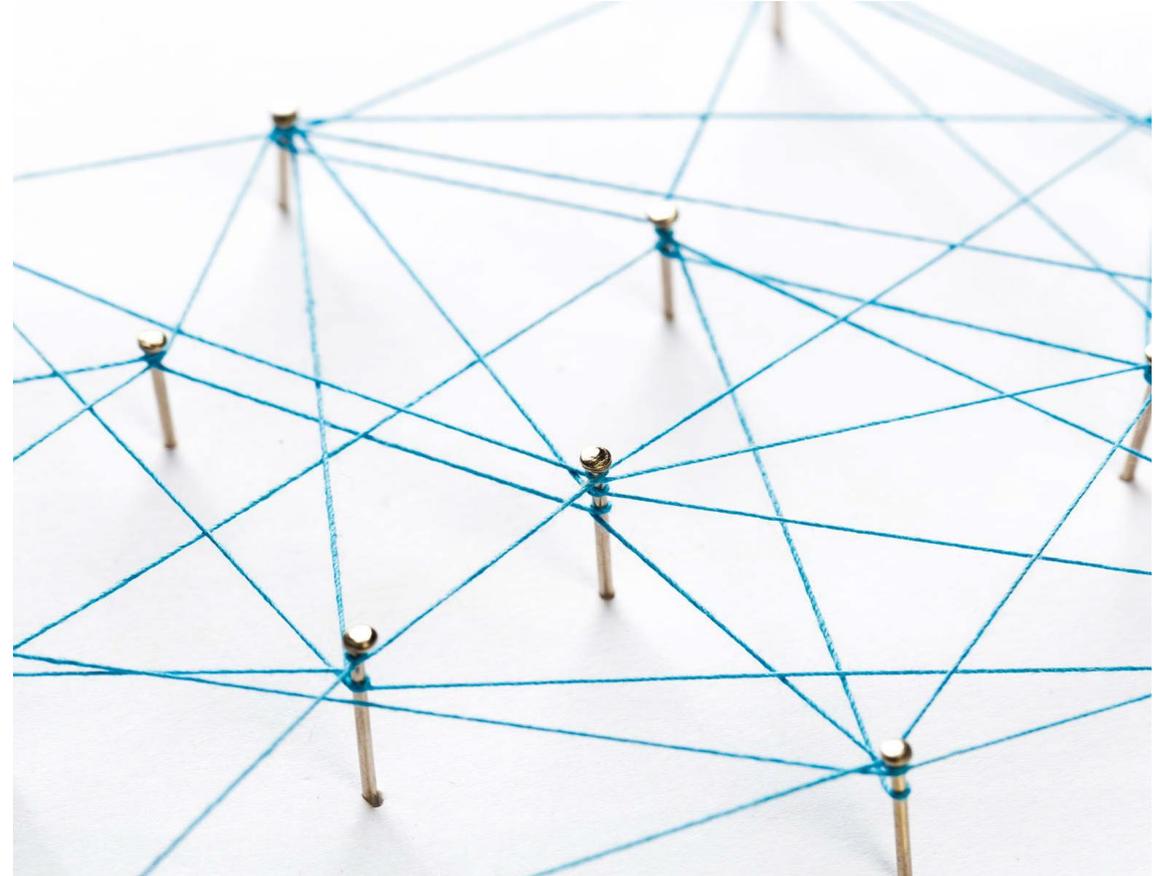
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Agenda

- Health Coverage Changes for 2022
 - Enhanced ACA Subsidies
 - Surprise Billing Protections
 - Monthly Special Enrollment Period
 - Disclosure of Agent/Broker Compensation
- Looking Ahead
 - Continued Enhanced Subsidies?
 - Standardized Plans
 - Federal Network Adequacy Review
 - Mental Health Parity Enforcement





Enhanced ACA Subsidies under the American Rescue Plan Act



- Applicable 2021 and 2022
- For Marketplace plans
- ↑ Increased subsidies for those previously eligible for tax credits (up to 400% of FPL)
- \$0 premium plans for eligible households below 150% of federal poverty level
- 34% of consumers enrolled in a plan with <\$10 a month premium for 2022
- New eligibility for households over 400% of FPL
- 8.5% of household income cap on after-subsidy premiums



Balance Billing Protections under the No Surprises Act

- Effective for plans that begin on or after January 1, 2022
- Plans covered
 - Individual market
 - Small and large group markets, including self-insured
 - Grandfathered plans
- Services covered
 - Providers at in-network facilities
 - Emergency care
 - Post-stabilization
 - Air ambulance (not ground)
- Protections
 - Patient only pays in-network cost sharing
 - No balance billing - Insurer pays negotiated rate or arbitrated amount





No Surprises Act - Dispute Resolution

- Provider Payment Amount
 - State payment method used when it applies
 - If no state method, 30 days to agree, then claim goes to Independent Dispute Resolution (IDR)
- IDR uses “baseball arbitration”
- Litigation
 - Last month, a federal district court held original rules relied too much on median network rates
 - Other cases pending





The screenshot shows the CMS.gov website. At the top, there is a navigation bar with links for Home, About CMS, Newsroom, Archive, Help, and Print. Below this is a search bar and a row of menu items: Medicare, Medicaid/CHIP, Medicare-Medicaid Coordination, Private Insurance, Innovation Center, Regulations & Guidance, Research, Statistics, Data & Systems, and Outreach & Education. The main content area features a breadcrumb trail: Home > No Surprises Act. Below this is a dark blue navigation bar with links for Home, Policies & Resources, Consumers, and Resolving out-of-network payment disputes. A light blue banner contains the text: 'Updates on continuing consumer protections against surprise billing (Download PDF)'. The main heading is 'Ending Surprise Medical Bills' in large, bold, dark blue font. Below the heading is a sub-heading: 'See how new rules help protect people from surprise medical bills and remove consumers from payment disputes between a provider or health care facility and their health plan'. To the right of the text is an image of an elderly woman and a healthcare professional looking at a document. Below the image is a green 'Learn More' button. At the bottom, there are three white boxes with blue borders. The first box is titled 'Policies & resources' and contains the text: 'Review rules and fact sheets on what No Surprises rules cover, and get additional resources with more information.' The second box is titled 'Resolving out-of-network payment disputes' and contains the text: 'Learn how out-of-network payment disputes between providers and health plans will be decided, apply to become a dispute resolution entity, or submit feedback on applicants.' The third box is titled 'Consumers' and contains the text: 'Learn about rights and protections for consumers to end surprise bills and remove consumers from payment disagreements between their providers, health care facilities and health plans.'

<https://www.cms.gov/nosurprises>

No Surprises Act - Enforcement

- If state laws are in place, states can be “primary enforcers” of No Surprises Act
- Federal agencies enforce where states do not, for example:
 - Self-insured plans
 - Providers
 - Provisions where no state law controls
- In Louisiana, federal agencies will enforce
- State laws that “do not prevent application of Federal law” are preserved



New Special Enrollment Period

- Federal rules established a new SEP, available each month
- For low-income consumers who qualify for \$0 premium plans
- New enrollees can choose any plan
- Current enrollees may switch to a silver plan





Disclosure of Agent and Broker Compensation



- 2020's Consolidated Appropriations Act (CAA) requires individual market and short-term, limited duration **issuers** to disclose direct and indirect compensation to agents and brokers to consumers
 - Before plan selection, and
 - After enrollment.
- Issuers must also report compensation information to the Dept. of Health and Human Services
- Federal rules were proposed in September 2021, but have not yet been finalized
- A similar provision requires disclosure of broker compensation for group plans



Looking Ahead



Enhanced ACA Subsidies

- Scheduled to end at the end of 2022
- Part of Build Back Better Act
 - Passed House November 19, 2021
 - Senate consideration ongoing, future uncertain
- May become part of another piece of legislation
- Insurers and regulators must approve 2023 rates in the coming months





Proposed Standardized Marketplace Plans



- Proposed in CMS 2023 Notice of Benefit and Payment Parameters (NBPP), not yet finalized
- Starting in 2023, insurers would be required to offer standardized plans for every network type and metal level for which they have a non-standard plan
- Standardized plans would share:
 - Deductibles
 - Out-of-pocket maximum
 - 4 tier prescription drug formulary
 - More co-pays than co-insurance
- No limit on number of non-standardized plans (yet)

Proposed Federal Network Adequacy Review

- ACA requires sufficient networks
- Prior deferral to state review was struck down in federal court
- 2023 NBPP Proposal, not yet finalized
- States may continue review IF standards are as stringent as federal
- States may opt-in to showing classification of network breadth on Healthcare.gov
 - Basic
 - Standard
 - Broad





Proposed Federal Network Adequacy Review

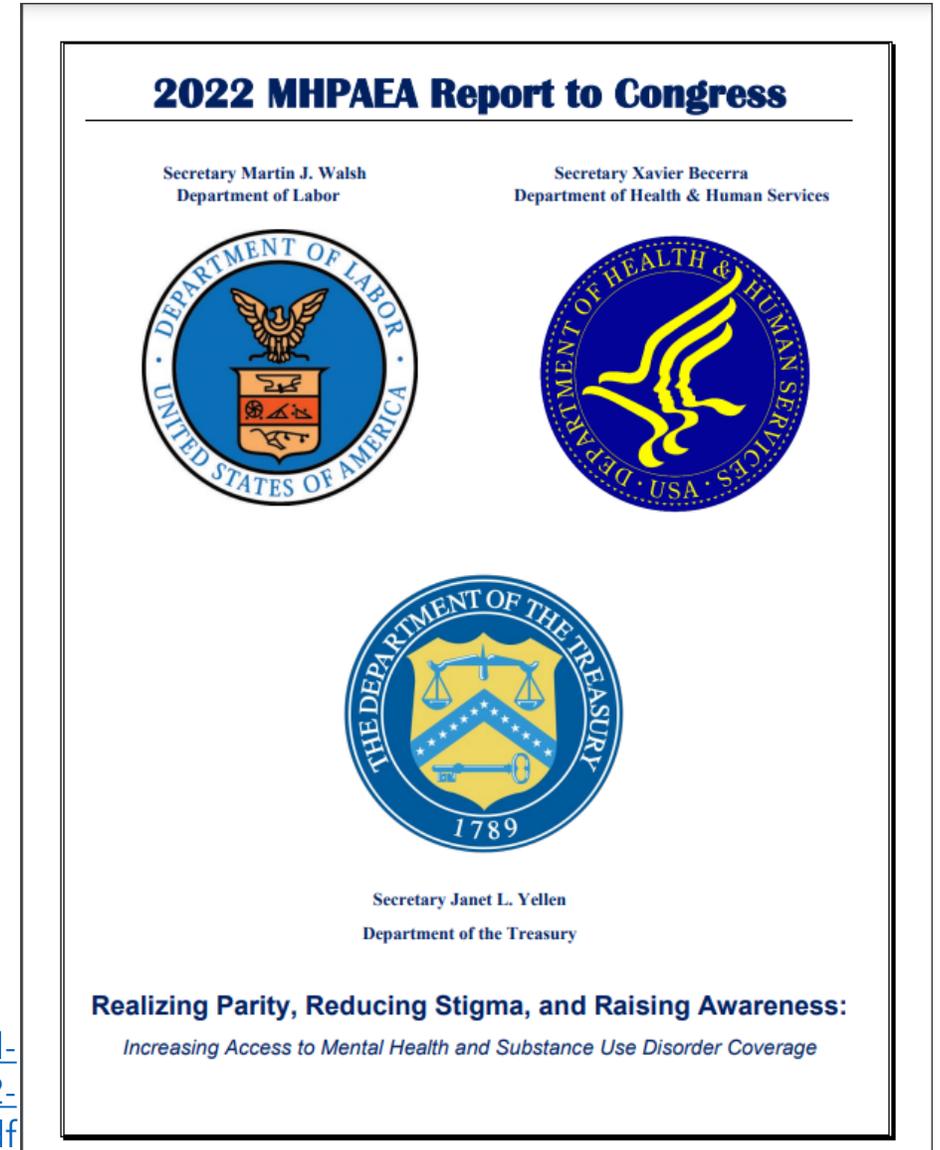
- Time and distance standards
- Measured by county, with 5 designations:
 - Large metro
 - Metro
 - Micro
 - Rural
 - County with extreme access considerations
- 34 specialties
- 11 facility types
- Dental
- Appointment wait time standards
- For 2023, applies to:
 - Routine primary care: 15 days
 - Non-urgent specialty care: 30 days
 - Behavioral health: 10 days
- Issuers may attest to meeting the standard



Mental Health Parity

- Since 2008, health plans have been required to ensure their mental health benefits are at parity with medical services.
- 2020 legislation added requirements for plans to document how benefit limitations comply with parity laws.
- Many state regulators are enhancing enforcement of parity requirements
- Federal agencies cited significant parity issues in a recent report to Congress

<https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/mental-health-parity/report-to-congress-2022-realizing-parity-reducing-stigma-and-raising-awareness.pdf>



Questions

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