

CMS proposed ACA Benefit Changes for 2019: Key Takeaways

Pulse8's Subject Matter Experts reviewed the recently published CMS Notice of Benefit and Payment Parameters for 2019. This proposed rule is intended to increase flexibility in the individual market, improve program integrity, and reduce regulatory burdens associated with the Patient Protection and Affordable Care Act in the individual and small group markets.

- ❖ Essential Health Benefits – giving states more flexibility

Pulse8 insight: Each state would have the ability to customize programs with the goal to reduce cost and increase membership. This may create a reduction in certain conditions currently covered and will ultimately introduce more complexity nationally.

- ❖ Small Group requirements – propose removing enrollment requirements. State-based Exchanges would be given the flexibility to maintain current operations of their online SHOP enrollment platforms, or take advantage of the proposed regulatory flexibilities to design a SHOP that best meets the needs of the small group market in their state.

Pulse8 insight: Customization by state appears to offer program flexibility that will reduce cost by reducing benefits.

- ❖ Risk Adjustment – propose amending the model to:
 - Use 2014 and 2015 MarketScan data and the 2016 EDGE data to recalibrate the 2019 RA model
 - Permit states to reduce the magnitude of RA transfers in the small group market
 - Remove two severity-only drug classes.

Pulse8 insight: The additional data will provide more precision for calibrating models appropriately.

- ❖ RADV Audits – Simplify the approach to:
 - Making payment adjustments
 - The minimum data elements required for validation of mental behavioral health diagnoses to address state law privacy concerns and applying the RADV materiality threshold beginning with 2018 instead of 2017

Pulse8 insight: The need to protect mental behavioral health diagnoses information will lead the charge for minimizing and simplifying mental health validation requirements.