PATIENT SAFETY BLOG

PATRICK MALONE & ASSOCIATES, P.C.
From Tragedy To Justice - Attorneys For The Injured

Toll Free: 888.625.6635
(888.MaloneLaw)
Local: 202.742.1500

Health Plan Model Disappoints

February 7, 2012 by Patrick A. Malone

What is the essential core of a health insurance policy that every insurer should have to offer its customers? The federal government is struggling to come up with a definition, but it's proving to be not so easy.

Most people know that the Affordable Care Act (ACA), the health reform plan that was passed in 2010 and remains under political attack, imposes a series of requirements on health insurers. But most people also remain confused about what's required of the companies that insure them.

Kaiser Health News helps interpret a recent document released by the Department of Health and Human Services previewing what most health plans must offer by way of insurance-covered services beginning in 2014.

Individual states have some latitude in defining "essential benefits" that must be part of coverage for individuals or small businesses, but the law is clear that 10 benefit categories must be included. States can decide, for example, how many doctor visits are allowed.

The HHS released a list of insurance plans names and network types that states may follow, but the feds' document doesn't include the benefits covered by those plans. And it doesn't express a preference for what it would like to see covered.

Patrick A. Malone
Patrick Malone & Associates, P.C.
1331 H Street N.W.
Suite 902
Washington, DC 20005

pmalone@patrickmalonelaw.com
www.patrickmalonelaw.com
202-742-1500
202-742-1515 (fax)

Consumer advocates, of course, find that rather wanting.

As quoted by Kaiser Health News, Stephen Finan of the American Cancer Society-Cancer Action Network said that without the complete package, “we remain completely in the dark.” Late last year, consumer groups including the Cancer Society were signatories to a letter to HHS seeking advice about which health plans states could choose as benchmarks.

The list offered last week by the department isn’t exactly what they had in mind.

“We know a little more than we knew yesterday, but we still do not have basic documents to see if the plans are good or not so good for cancer patients, or any other kind of patient,” Finan told Kaiser Health News.

HHS lists the insurance plans in each state with the largest enrollments in the small group market. It also lists the three nationally available health plans with the largest enrollments open to federal employees. The document reads, “Under the state’s intended approach, states would have the flexibility to select an existing health plan to set the ‘benchmark’ for the items and services included.” If the selected plan doesn’t include benefits in the federally defined categories, the state must supplement the benchmark.

States may select a benchmark from four types of plans, but if you don’t know what’s in the plan, how do you make an informed decision? It’s like ordering a full course dinner from a brand name restaurant without looking at the menu.

If you’d like to make your feelings known, contact The U.S. Department of Health and Human Services at 200 Independence Avenue, S.W., Washington, D.C. 20201. The phone number is (877) 696-6775.

Patrick A. Malone
Patrick Malone & Associates, P.C.
1331 H Street N.W.
Suite 902
Washington, DC 20005

pmalone@patrickmalonelaw.com
www.patrickmalonelaw.com
202-742-1500
202-742-1515 (fax)