

Legislative Highlights

June 2014



BlueCross BlueShield
of Illinois

Government Releases Final Rule on 2015 Health Insurance Marketplace Standards

On May 16, 2014, the Centers for Medicare & Medicaid Services (CMS) released a 400-page [final rule](#) on the Health Insurance Marketplace and market standards for 2015 and beyond.

Below is a high-level summary of some key policy items from the final rule:

- **Guaranteed availability and renewal.** Sets forth criteria for determining when coverage modifications made by an issuer in the individual and small group markets would constitute a discontinuation of coverage versus a uniform modification of coverage at renewal.
- **Essential health benefits prescription drug coverage.** Adds a requirement that a plan's procedures must include an expedited (no more than 24 hours) coverage determination process for exigent circumstances and requires the plan to cover the drug for the duration of the exigency.
- **Medical loss ratio (MLR).** Finalizes the adjustments to the MLR for issuer administrative costs related to the Marketplace participation and transitional policy implementation.
- **Reinsurance and risk adjustment programs.** Provides enhancements to the reinsurance and risk adjustment programs to help offset market disruptions caused by the administration's November 2013 transitional policy.
- **More flexibility for federally facilitated Small Business Health Options Program (SHOP) states on employee choice.** The final rule provides more flexibility to state departments of insurance in recommending a one-year delay of employee choice for the federally facilitated SHOPs in 2015. It also aligns the open enrollment dates for federally facilitated SHOPs with the individual Marketplace for the 2015 benefit year.

We are currently reviewing the final rule and will provide more information once it is available.

Government Releases ACA FAQs, COBRA Proposed Rule, Guidance on Hardship Exemptions

On May 2, 2014, the U.S. Departments of Health and Human Services, Labor and Treasury released Affordable Care Act (ACA) [Implementation FAQs](#) Part XIX. We're currently reviewing the FAQs and will provide more information once it is available.

In addition, the Department of Labor released a [proposed rule](#) that would require COBRA notices to include information about the availability of health coverage through the Health Insurance Marketplace.

The model general notice and model election notice are available on the [Labor website](#).

Also on Friday, the Centers for Medicare & Medicaid Services (CMS) [released guidance](#) on special enrollment periods (SEPs) and hardship exemptions. The guidance provides specific SEPs and hardship exemptions for the following:

- Hardship exemption for people who obtained Minimum Essential Coverage outside of the Marketplace effective on May 1, 2014
- An SEP (extending through July 1) for individuals eligible for or enrolled in COBRA



- SEPs for individuals whose individual market plans are renewing outside of open enrollment
- SEPs and hardship exemption for AmeriCorps/VISTA/National Civilian Community Corps members

Preventive Care Services Update — Effective May 1, 2014

The Affordable Care Act (ACA) requires non-grandfathered health plans and policies to provide coverage for “preventive care services” without cost sharing (such as coinsurance, deductible or copayment), when the member uses a network provider. Services may include screenings, immunizations and other types of care, as recommended by the federal government.

We have been active in providing ongoing business, medical and operational support for the periodic recommendations released by the U.S. Preventive Services Task Force (USPSTF). These recommendations with “A” or “B” ratings serve as the basis for what is considered preventive care under ACA.

It is important to note that new requirements and FAQs that provide clarification on prior guidance can be issued at any time. As new or updated preventive care recommendations or guidelines are issued, Blue Cross and Blue Shield of Illinois (BCBSIL) works within the timelines allowed to interpret the requirement, define an approach, and execute the implementation activities required.

BCBSIL is currently implementing three new updates for preventive services coverage for individual and group members with non-grandfathered policies/plans:

- As of May 1, 2014, breastfeeding supplies (electric and hospital grade breast pumps) are being covered when obtained through an out-of-network provider, where coverage was previously excluded. However, coverage may not be at 100 percent, with no cost share. Some limitations and restrictions may apply based on the group coverage for preventive services. Retail purchases of electric breast pumps are not considered out of network. Note: We are continuing to cover breast pumps (manual, electric and hospital grade rentals) without cost sharing when using an in-network provider. Certain limitations do apply.
- Over-the-counter (OTC) aspirin, vitamin D, folic acid, iron and fluoride will now be covered with no cost share with a prescription from a provider. BCBSIL will retroactively reimburse for OTC purchases made between March 1, 2014, and May 1, 2014. Members will need to submit a copy of the receipt and [prescription claim form](#) for reimbursement. The prescription claim form can be found on our website, [bcbsil.com](#), in the forms section. For OTC purchases made after May 1, 2014, members will need to obtain a prescription from their provider and take it to the pharmacy to be filled. This does not apply to groups who have carved out their pharmacy coverage to a Pharmacy Benefits Manager.¹
- BCBSIL currently provides coverage for the BRCA test based on the outcome of medical review, which is used to determine appropriateness. Claims submitted for BRCA tests that have a preventive diagnosis will now be paid with no member cost share if approved during medical review. BCBSIL will review claims for BRCA testing provided between March 1, 2014, and May 1, 2014, for possible payment adjustment. Claims that do not contain a preventive diagnosis are processed at the non-ACA benefit level as defined in the group's contract, also assuming medical review approval.^{1,2}

We will continue to keep you updated as new recommendations are released.

¹ Based on February 2013 FAQ regarding USPSTF recommendation for OTC coverage and BRCA coverage. The clarification provided in the February FAQ requires the implementation effort similar to a new USPSTF recommendation. Leveraging the implementation period allowed for new USPSTF recommendations of one year, we are moving forward with implementing OTC with a prescription at 100 percent and BRCA testing in addition to BRCA counseling with an effective date of 3/1/14 across required lines of business.

² USPSTF recommends that primary care providers screen women who have family members with breast, ovarian, tubal or peritoneal cancer with one of several screening tools designed to identify a family history that may be associated with an increased risk for potentially harmful mutations in breast cancer susceptibility genes (BRCA1 or BRCA2). Women with positive screening results should receive genetic counseling and, if indicated after counseling, BRCA testing. The USPSTF recommends against routine genetic counseling or BRCA testing for women whose family history is not associated with an increased risk for potentially harmful mutations in the BRCA1 or BRCA2 genes.



Frequently Asked Questions About the Religious Freedom and Marriage Fairness Act

The Illinois Religious Freedom and Marriage Fairness Act, which allows Illinois same-sex couples to be formally recognized as married and treated the same as different-sex married couples, goes into effect June 1, 2014.

As discussed in the [May 2 article](#), the law is intended to provide same-sex and different-sex couples and their children equal rights under all Illinois state laws that affect marriage. As a result, all Blue Cross and Blue Shield of Illinois (BCBSIL) insured policies that cover spouses will be construed to treat same-sex spouses the same as different-sex spouses. While employers are not required to offer health care coverage to spouses, those that do will need to extend the same spousal benefits to legally married same-sex couples.

There will be a special enrollment period from June 1 – June 30 during which existing BCBSIL members who have previously entered into a legal same-sex marriage prior to June 1 will be able to add their eligible spouses and children. Members who marry on or after June 1, 2014, should follow their employer group's process for enrollment following a life event.

An FAQ document has been developed to provide answers to some of the most common questions regarding the law. [Review the FAQ](#) for further clarification on this legislation, which becomes effective next month.

SBC Updated on the SBC Tool for Illinois Groups 1 - 150

You may have recently retrieved a Summary of Benefits and Coverage (SBC) from the SBC Tool that describes an overview of what your plan covers and your level of cost sharing for those services. Updates have been processed and are now available on the SBC Tool to retrieve.

Review the listing below for more details on the updates and always review the SBC for accuracy before distributing to members.

We appreciate your patience as we continue to improve our processes.

Updated Plans

PLANS:	UPDATE:
All IL Plans (1-150)	The 'other practitioner visit' section has been updated to reflect the same cost sharing as the 'specialist visit' cost sharing for all plans.
The following plans were added for 2014: NPSL1A05, NPSL3A05, NPVH3805, NCVG2705, NCVG2805, NPD91127, NPD92615, NPD92625, NPD92635, NPD93615, NPD93625, NPDA2435, NPDA3435, NBD91127, NBD91137, NBD92615, NBD92625, NBD92635, NBD93615, NBD93625, NBDA2435, NBDA3435, NBSL1A05, NBSL3A05, NPVE3905, NHBV023, NHBV024, NHBV026, NHBV033, NHBV034, NHBV036, NPPE3523, NPPE3526, NPPE3533, NPPE3534, NPPE3536, NCP72426, NBP83434, NBP92324, NBPE2324, NCP72423, NCP72424, NPP72224, NPP82224, NPP83324, NPP83524, NPP93524, NPPE2326, NPPE3324, NPPE3524, PPVE3905, BCP73434, BPAL1A05, BPAM3A05	SBCs are now available for these plans on the SBC Tool.

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