coalition for the homeless

August 17, 2012

Ms. Danielle Holahan
New York State Health Benefit Exchange
New York State Department of Health
[Submitted electronically to exchange@health.state.ny.us]

RE: Benchmark Options for Essential Health Benefits

Dear Ms. Holahan:

Coalition for the Homeless submits these comments on New York's selection of an Essential Health Benefits (EHB) benchmark plan for use in the individual and small group insurance markets. Coalition for the Homeless is the nation's oldest advocacy and direct service organization serving homeless men, women and children and serves 3,500 people each day through a dozen programs including permanent housing, job training, eviction prevention, emergency meals, youth development and crisis intervention services. We thank you for the opportunity to provide our comments on the selection of a benchmark option for Essential Health Benefits – a fundamental step in implementing the Affordable Care Act in New York State.

The EHB decision is critically important for the many low-income workers whom we serve and the broader systemic reforms associated with Health Care Reform. The package that New York decides upon must meet the needs of all diverse segments of the state's population, including homeless men, women, and children, as well as low-wage workers, and adults and children with disabilities, including mental illness, addiction, brain injuries, and mobility impairments. These New Yorkers need comprehensive health care benefits that are affordable and available, and delivered in ways that address the unique needs, capacities, and limitations of each individual. Obtaining such coverage will help to save rate payers and tax payers funds that now underwrite the costly and inefficient way in which our health care system is organized.

We strongly urge adoption of the New York State Employee Plans' Empire Plan as the best benchmark option for EHB in New York. The Empire Plan is the most comprehensive of the ten benchmark plan options. For example, it is the only benchmark option that covers almost all of New York's individual and small group benefit mandates. It serves as the gold standard for coverage of mental health services in New York Timothy's Law requires that the Superintendent assure that mental health benefits are no more restrictive than those offered under the Empire Plan – and therefore that all plans cover everything in *DSM IVr* with the exception of a couple of "V-codes" like "malingering" for which no practice guidelines have been published.

The Empire Plan also has more generous service limits on many services that are restricted by the other benchmark options, including not only mental health, but also orthotics, chemical dependence, skilled nursing facilities, home health care, physical therapy, rehabilitation therapy, occupational therapy, and speech therapy. It covers adult dental care and women's health services like medically necessary and

elective abortions, infertility services, and contraception. Finally, it does not exclude transgender-specific services.

New York should not reject the Empire Plan as the EHB benchmark merely because of the slightly higher predicted effect on premium cost. While affordability of coverage is important to our clients, we expect that the Exchange will bring down premium costs. Our members need the security that a comprehensive benefit package provides, and we do not think it wise to choose narrow coverage and then supplement it to reach the EHB requirements at a cost to the State for things that would not cost extra if the Empire Plan is chosen.

Further, as I mentioned in previous emails, we are hopeful that the impact of the federal Parity laws will be made clearer to the stakeholders concerned about the EHB selection. The Milliman documents don't inform the reader that visit limits in both the small group plans and the large group options are preempted by federal law, and that all of the visit limits and all unequal quantitative and non-quantitative limits are eliminated by the action of federal law. This means that all of the numerical limits that apply only to mental health or substance abuse services in state law or contracts (or as applied) are or will become uncapped. It further means that the "biologically based mental illness" services authorized by Timothy's law are obsolete for the large groups and will become obsolete for small and individual policies as the EHB is adopted.

It is unfortunate that this information was not illuminated for the readers of the Milliman report (it is a bit technical and not widely understood in the mental health and health care advocacy fields).

In addition, it was not possible for us to determine what the value of the impact of federal preemption and parity are in the Milliman calculations, and we hope to be able to examine those calculations and their underlying assumptions to be certain that there are no artificial differences or mistakes in the effort to demonstrate the true costs of each option relative to the others.

Thank you for considering our comments.

Very truly yours,

Shelly Nortz
Deputy Executive Director