
Information on Coverage and Consumers' Costs for Select Services in CHIP and Benchmark Plans in Five States

Susan Anthony
January 23, 2014

Project Objectives and Scope

- Objectives
 - How do coverage and consumers' costs in separate CHIP plans compare to benchmark plans in select states, and how might coverage and costs change in 2014?
- Scope
 - Five states (CO, IL, KS, NY, and UT)
 - Largest separate CHIP plan by enrollment
 - 2012 benchmark plan(s)
 - Selected services and limits as described in plan Evidences of Coverage

Selected Services

- Ambulatory patient services (primary care physician and specialist office visits and outpatient surgery)
- Emergency care
- Inpatient hospital services (facility, professional, and ancillary services)
- Maternity care
- Mental health services (inpatient and outpatient)
- Substance abuse services (inpatient and outpatient)
- Prescription drugs
- Preventive care (well-child care, immunizations, and chronic disease management)
- Outpatient therapies (physical, speech, and occupational for rehabilitation and habilitation)
- Pediatric dental services (routine, emergency, and other)
- Pediatric vision services (exams and corrective lenses)
- Laboratory services (inpatient and outpatient)
- Pediatric hearing services (testing and hearing aids)
- Durable medical equipment
- Hospice
- Home and community-based health care

Five States' CHIP and Benchmark Plans Included Coverage for Nearly All Reviewed Services, with Some Exceptions

- CHIP and benchmark plans were similar in that most generally covered the services we reviewed.
- Exceptions included certain outpatient habilitative therapies and certain pediatric hearing and vision services, which were not always covered by states' CHIP or benchmark plans.

Coverage for Selected Services in CHIP and Benchmark Plans in Five States

Service	CHIP plan					Benchmark plan					
	CO	IL	KS	NY	UT	CO	IL	KS	NY	UT	
Ambulatory patient services	Provider office visits	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Outpatient surgery	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Emergency care	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Inpatient hospital	Facility	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Professional	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Ancillary	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Maternity care	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Mental health	Inpatient	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Outpatient	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Substance abuse treatment	Inpatient	✓	✓	✓	✓	✓	✓	✓	☒	✓	
	Outpatient	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Prescription drugs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Outpatient therapies	Physical	Rehabilitative	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Habilitative	✓	✓	☒	✓	☒	☒	✓	☒	✓
	Speech	Rehabilitative	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Habilitative	✓	✓	☒	✓	☒	☒	✓	☒	✓
	Occupational	Rehabilitative	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Habilitative	✓	✓	☒	✓	☒	☒	✓	☒	✓
Laboratory services	Inpatient	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Outpatient	✓	✓	✓	✓	✓	✓	✓	✓	✓	

Service		CHIP plan					Benchmark plan				
		CO	IL	KS	NY	UT	CO	IL	KS	NY	UT
Preventive care	Well-child	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Immunizations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Chronic disease management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pediatric dental	Routine	✓	✓	✓	✓	✓	✓ ^a	✓ ^a	✓ ^a	✓ ^a	✓
	Emergency	✓	✓	✓	✓	✓	✓ ^a	✓ ^a	✓ ^a	✓ ^a	☒
	Other	✓	✓	✓	✓	✓	✓ ^a	✓ ^a	✓ ^a	✓ ^a	☒
Pediatric vision	Exams	✓	✓	✓	✓	✓	✓	✓ ^b	✓ ^c	✓ ^c	✓
	Corrective lenses	✓	✓	✓	✓	☒	☒	✓ ^b	✓ ^c	✓ ^c	☒
Pediatric hearing	Testing	✓	✓	✓	✓	✓	✓	☒	☒	✓	✓
	Hearing aids	✓	✓	✓	✓	☒	✓	✓	☒	✓	☒
Durable medical equipment		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Home- and community-based health care		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hospice		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Legend: ✓ = yes; ☒ = no.

Source: GAO analysis of data from CHIP and benchmark plan Evidences of Coverage and contact with state and health plan officials in Colorado, Illinois, Kansas, New York, and Utah.

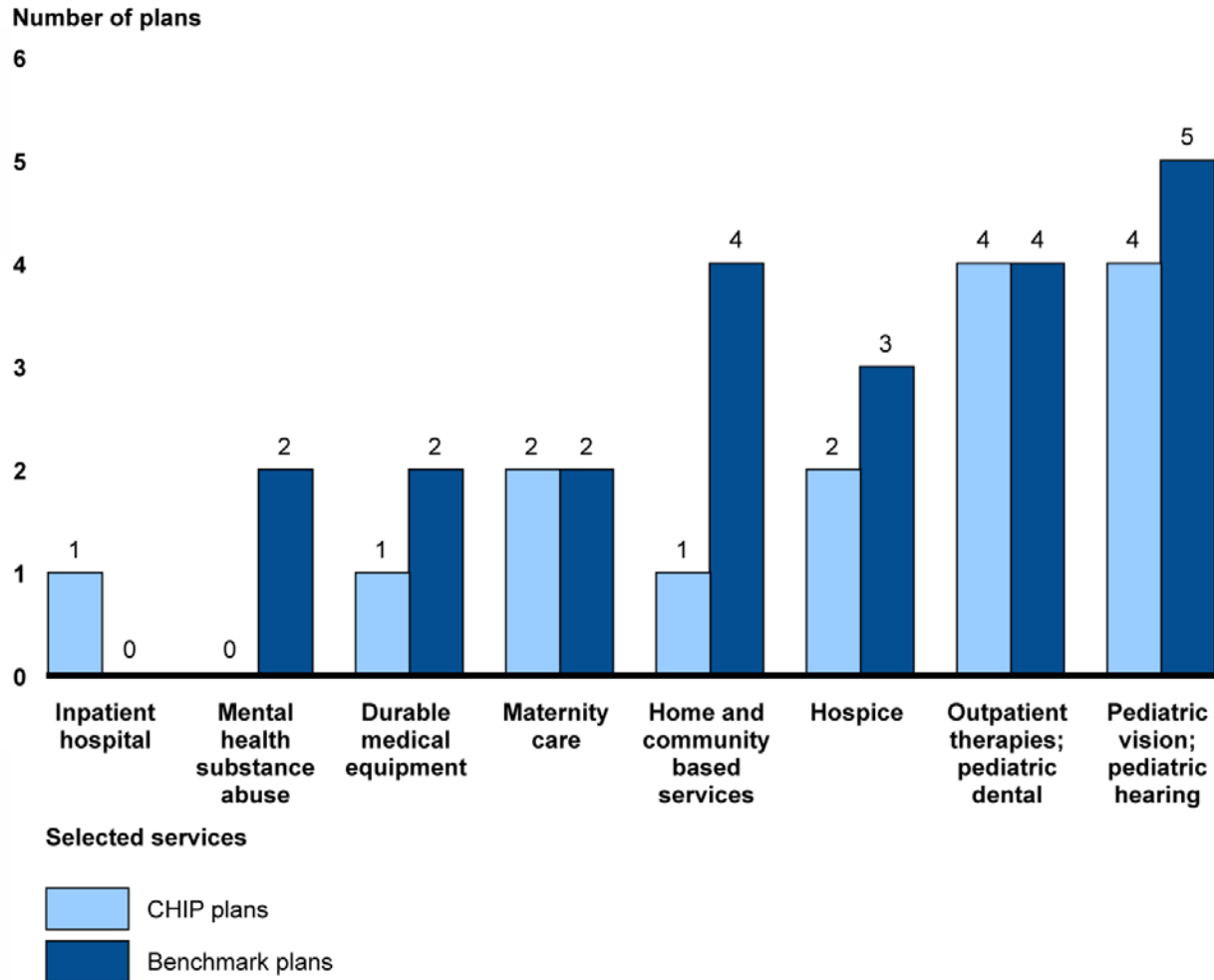
Notes: CHIP plan data for Colorado and Utah was effective from July 1, 2012, through June 30, 2013, and for Illinois, Kansas, and New York, it was effective calendar year 2013. Benchmark plan data was effective as of December 26, 2012, the deadline for benchmark plan selection.

^aState selected CHIP plan as its supplemental dental benchmark plan.

^bState selected FEDVIP as its supplemental vision benchmark plan.

^cState selected CHIP as its supplemental vision benchmark plan.

- CHIP and benchmark plans were also similar in terms of the services on which they imposed day, visit, or dollar limits.



Source: GAO analysis of CHIP and benchmark plan Evidences of Coverage and interviews with state CHIP and benchmark plan officials in Colorado, Illinois, Kansas, New York, and Utah.

CHIP and Benchmark Plan Limits

- CHIP and Benchmark plans were similar.
 - Neither typically imposed limits on ambulatory patient services, emergency care, preventive care, or prescription drugs.
 - Both typically imposed limits on outpatient therapies and pediatric dental, vision and hearing services.
- One notable exception was home- and community-based services, which more benchmark plans limited.
- For services where both plan types imposed limits, comparability between plan types was less clear.
 - CO CHIP limit on outpatient therapies was 40 visits per diagnosis; Benchmark allowed 20 visits per therapy type.
 - NY CHIP allowed max of six weeks of physical therapy; Benchmark allowed 60 visits per condition per lifetime.

Expectations for CHIP and Qualified Health Plan (QHP) Coverage in 2014

- CHIP
 - State officials in all five states expected CHIP coverage to remain largely unchanged in 2014.
- QHPs
 - State officials expected QHP coverage to reflect states' benchmark plans and PPACA requirements in 2014.
 - PPACA provides options for states' implementation.
 - Stand-alone dental plans
 - Defining habilitative services and devices

In five states, consumers' costs were almost always less in CHIP than in benchmark plans

- Deductibles
- Premiums
- Copayments and Coinsurance

Examples of Copayments and Coinsurance for Office Visits and Rehabilitative Outpatient Therapies in the State Children’s Health Insurance Program (CHIP) and Benchmark Plans in Two of the Five States we Reviewed

		CHIP plan			Benchmark plan	
		<150% FPL	150-200% FPL	> 200% FPL	N/A	
Office visit	CO	PCP	2	5	10	30
		Specialist	2	5	10	50
	UT	PCP	3-5	25	N/A	30%
		Specialist	3-5	40	N/A	30%
Rehabilitative outpatient therapy session (physical, occupational, or speech)	CO		2	5	10	30
	UT		3-5	40	N/A	30%

Legend: FPL = federal poverty level; N/A = not applicable; PCP = primary care physician

Source: GAO analysis of Colorado and Utah CHIP and benchmark plan Evidences of Coverage and information from state and health plan officials. CHIP plan data for Colorado and Utah was effective from July 1, 2012 through June 30, 2013. Benchmark plan data was effective as of December 26, 2012, the deadline for benchmark plan selection.

CHIP and QHP Costs to Consumers in 2014

- CHIP
 - Officials in all five states expect CHIP costs to consumers to remain largely unchanged in 2014.
 - Aggregate premiums and cost-sharing cannot exceed 5 percent of a family's total income for eligibility period.
- QHPs
 - QHP costs may differ from benchmark plans, which are not models for cost-sharing.
 - PPACA includes provisions that standardize costs and reduce cost-sharing for certain individuals.
 - Premium tax credits
 - Cost-sharing subsidies

Conclusions

- Congress, HHS and states have important decisions to make regarding the future of CHIP.
- Assessing the comparability of CHIP and QHP plans will require ongoing monitoring of a complex array of factors.
- Coverage and costs in QHPs will be affected by individual states, issuers, and families' choices.
- See <http://www.gao.gov/products/GAO-14-40> for a full copy of the GAO report.