

California
Health Benefits
Review Program

Annual Legislative Briefing

February 7, 2018



California
Health Benefits
Review Program

California Health Insurance

Adara Citron
Principal Analyst

February 7, 2018



Health Insurance ...



- Covers the cost of an enrollee's medically necessary health expenses (excepting some exclusions).
- Protects against some or all financial loss due to health-related expenses.
- Can be publicly or privately financed.

Health Insurance ...

- is regulated
- is divided into markets
- may be (or may not be) subject to state laws, such as benefit mandates



State-regulated health insurance...

is either defined by a *health care service plan contract* that is:

- Subject to CA Health & Safety Code
- Regulated by DMHC



State-regulated health insurance...

or is defined by a *health insurance policy* that is:

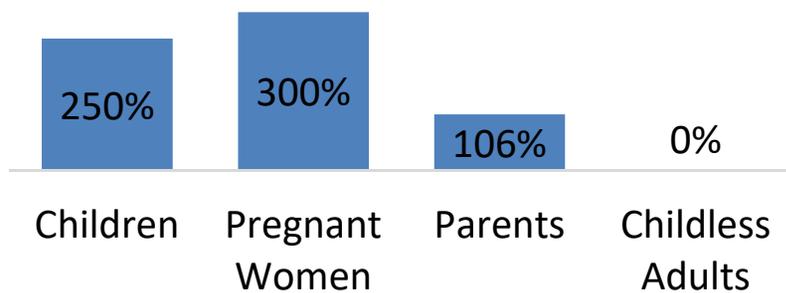
- Subject to CA Insurance Code
- Regulated by CDI



Medi-Cal/CHIP and Marketplace Eligibility in California Pre- and Post- ACA Implementation

2013 Medi-Cal/CHIP Eligibility by Federal Poverty Level

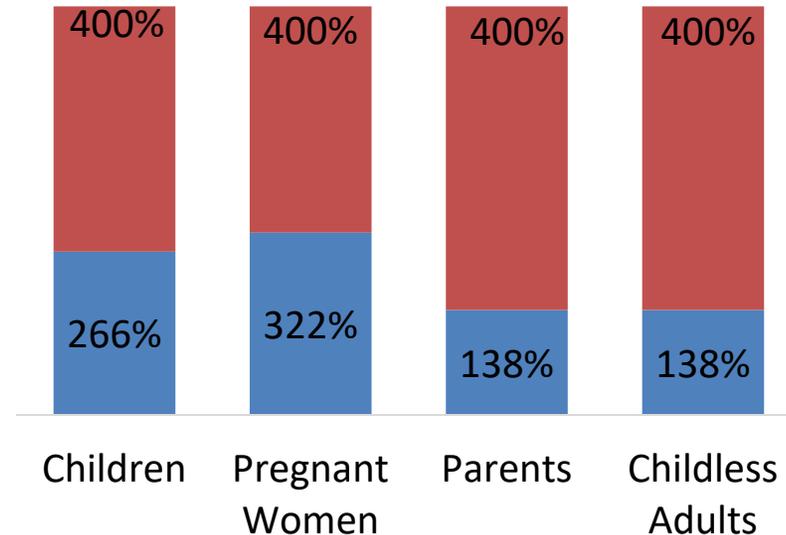
■ Medi-Cal/CHIP



2017 Medi-Cal/CHIP and Covered California Assistance Eligibility by Federal Poverty Level

■ Financial Assistance through Covered California

■ Medi-Cal/CHIP

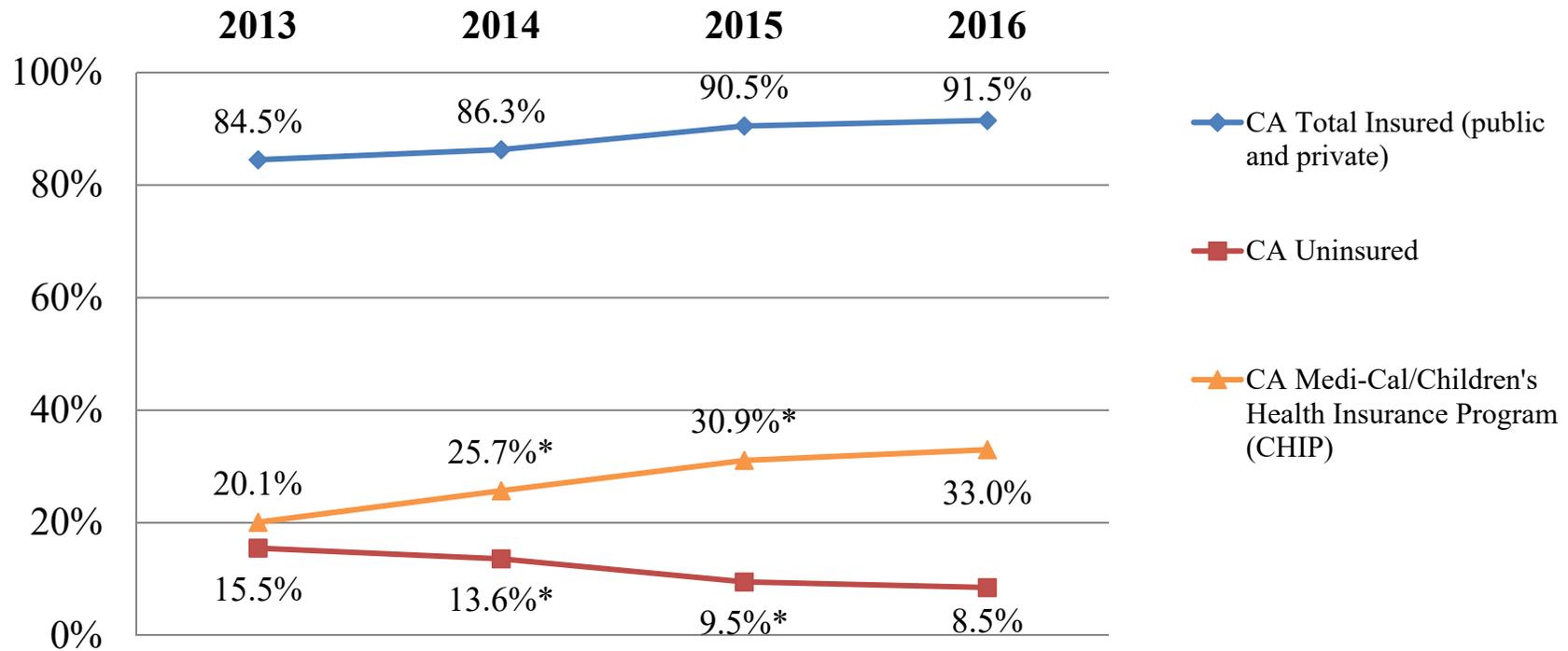


Source: Kaiser Family Foundation, 2018.

Health Insurance Status Of Californians Under Age 65, 2016



By Insurance Coverage Type, 2013-2016



Note: * Indicates a statistically significant change from previous year

Source: Becker T. 2017. *Number of Uninsured in California Remained at Record Low in 2016*. Los Angeles, CA: UCLA Center for Health Policy Research.

Changes Federally and in the ACA

Recent changes

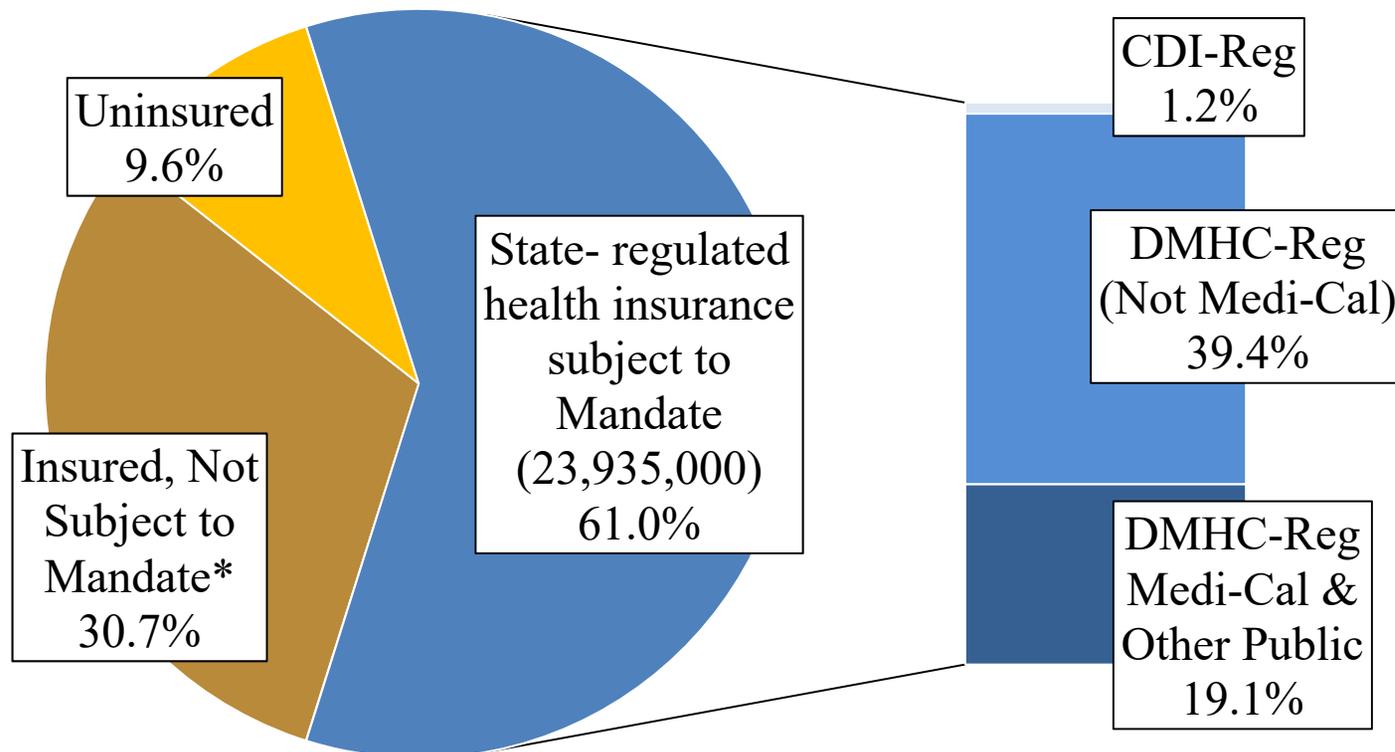
- Repeal of Individual Mandate Penalty in 2019 through the Tax Cuts and Jobs Act of 2017
- Purchase of insurance across state lines through Association Health Plans

Future changes

- Cost Sharing Reduction Subsidy funding uncertainty
- Other federal action through CMS or executive order

2019 Estimates – CA Health Insurance – All Ages

Total Population – 39,212,000



*Such as enrollees in Medicare or self-insured products
Source: California Health Benefit Review Program, 2018

Health Insurance Markets in California

DMHC-Regulated Plans	CDI-Regulated Policies
Large Group (101+)	Large Group (101+)
Small Group (2-100)	Small Group (2-100)
Individual	Individual
Medi-Cal Managed Care*	-----

*except county organized health systems (COHS)

Benefit Mandates

State Laws (Health & Safety/Insurance Codes)

- More than 70 benefit mandates in California

Federal Laws

- Pregnancy Discrimination Act
- Newborns' & Mothers' Health Protection Act
- Women's Health and Cancer Rights Act
- Mental Health Parity and Addiction Equity Act
- Affordable Care Act

Benefit Mandates List

California Health Benefits Review Program

Resource:

[Health Insurance Benefit Mandates in
California State and Federal Law](#)

January 11, 2018

California Health Benefits Review Program
MC 3116
Berkeley, CA 94720-3116

www.chbrp.org

Additional free copies of this and other CHBRP bill analyses and publications may be obtained by visiting the CHBRP website at www.chbrp.org.

Suggested Citation: California Health Benefits Review Program (CHBRP). (2018). *Health Insurance Benefit Mandates in California State and Federal Law*. Berkeley, CA.



California Health Benefits Review Program

Overview of CHBRP

Garen Corbett

Director

CALIFORNIA HEALTH BENEFITS REVIEW PROGRAM



What is CHBRP?

- CHBRP is an independent, analytic resource housed at UC to support the Legislature, grounded in objective policy analysis
 - CHBRP is independent, and neutral.
 - Unbiased.
 - Provides timely, evidence-based information to the Legislature, leveraging faculty expertise since 2003.
 - Analyzes introduced bills at the **request** of the Legislature (Policy Context, Medical Effectiveness, Cost, Public Health).

Who is CHBRP?

- Task Force of faculty and researchers
- Actuarial firm: PricewaterhouseCoopers (PwC)
- Librarians
- Content Experts
- National Advisory Council
- CHBRP Staff

CHBRP Reports Enhance Understanding

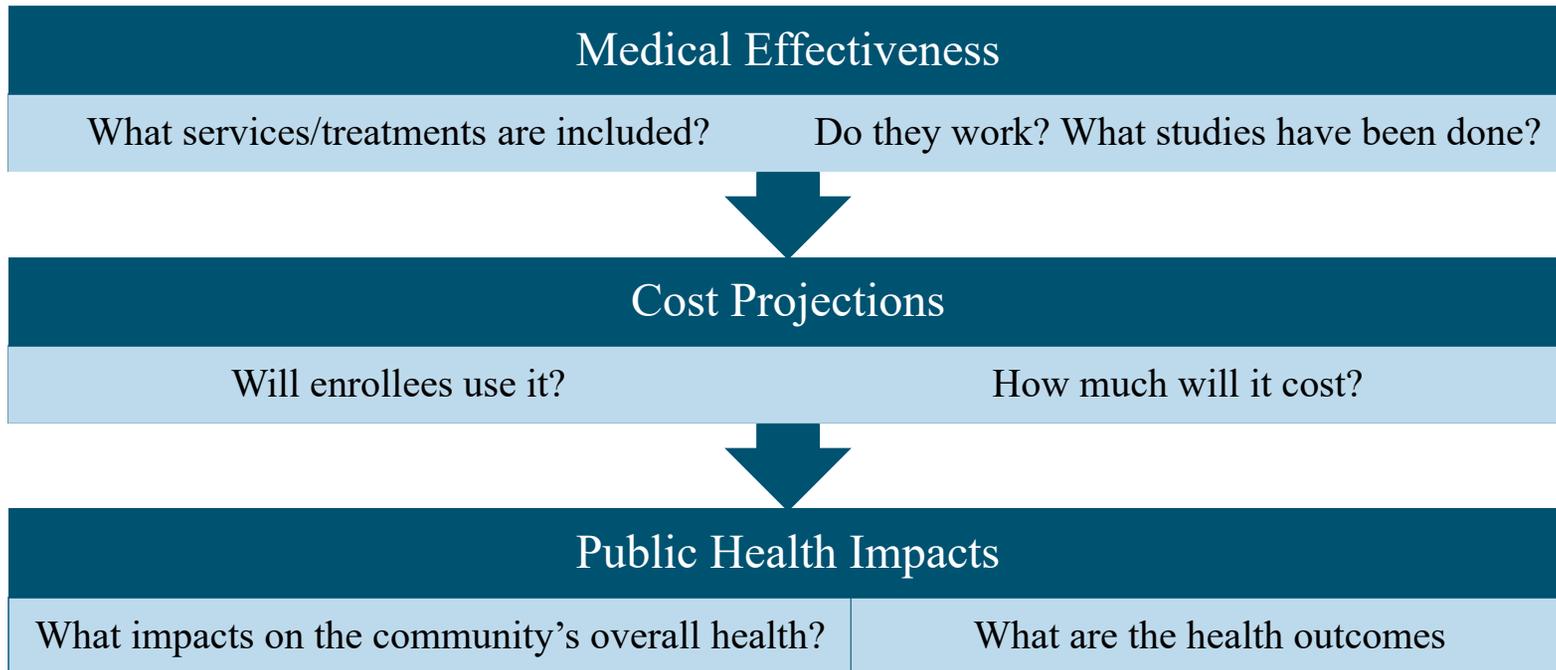
- Expert – leverages faculty and researchers, policy analysts, and an independent actuary to perform evidence-based analysis
- Neutral – without specific policy recommendations
- Fast – 60 days or less

Health Insurance Benefit Mandates

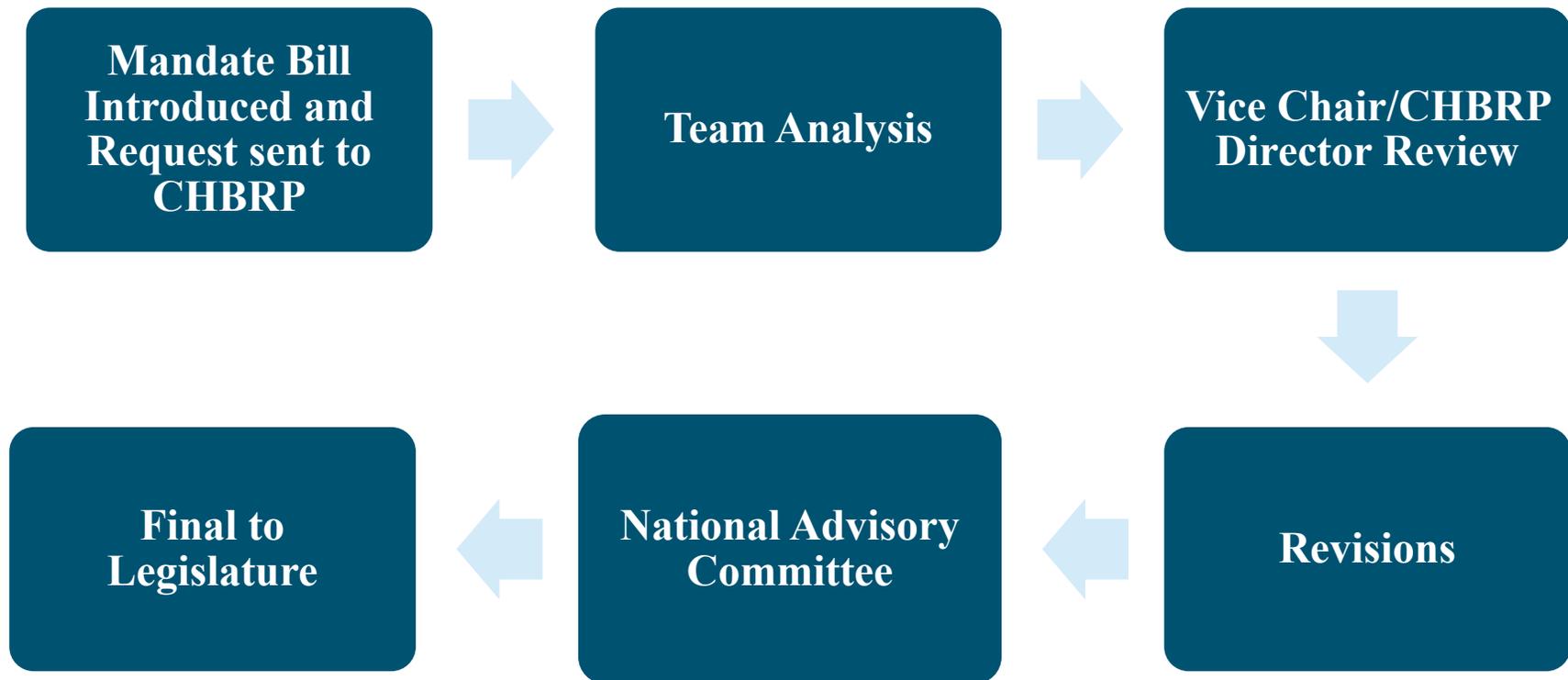
- Health Insurance Benefits:
 - Benefits are tests/treatments/services appropriate for one or more conditions/diseases
- Health Insurance Benefit Mandates may pertain to:
 - Type of health care provider
 - Screening, diagnosis or treatment of disease/condition
 - Coverage for particular type of treatment, service
 - Benefit design (limits, time frames, co-pays, deductibles, etc.)

How CHBRP Works

- Upon receipt of the Legislature’s request, CHBRP convenes multi-disciplinary, analytic teams
- CHBRP staff manage the teams, complete policy context
- Each analytic team evaluates:



CHBRP's 60-Day or Less Timeline



CHBRP Analyses Provide:

Policy Context

Whose health insurance would have to comply?

Are related laws already in effect?



Medical Effectiveness

Which services and treatments are most relevant?

Does evidence indicate impact on outcomes?



Impacts

Would benefit coverage, utilization, or cost change?

Would the public's health change?

CHBRP's Website: www.chbrp.org

The screenshot shows the CHBRP website homepage. At the top left is the CHBRP logo, which includes a map of California and a magnifying glass over the text "CALIFORNIA HEALTH BENEFITS REVIEW PROGRAM Providing Objective Legislative Analysis". To the right of the logo is a search bar with the placeholder text "Type to begin searching" and social media icons for Google+, Facebook, and Twitter. Below the search bar is a navigation menu with links for "Home", "About CHBRP", "Completed Analyses", "Recent Requests", and "Contact". The main content area features a large banner image of a library with the headline "Academic Rigor on a Legislator's Timeline". Below the banner is a blue navigation bar with icons and text for "About CHBRP", "Completed Analyses", and "Recent Requests". On the left side, there is a "Quick Links" section with a list of links: "About CHBRP", "Completed Analyses", "Recent Requests", "Analysis Methodology", "Other Publications", "Recent Presentations", and "Contact". On the right side, there is a "What's New?" section with a "View All News" button. Below this are four news items, each with a title, a date, and a "Keep Reading" link. The news items are: "CHBRP has been reauthorized!" (Posted 08/07/2017), "CHBRP's 2017 AcademyHealth Presentations" (Posted 08/02/2017), "CHBRP has a new website. We'd love your feedback!" (Posted 08/02/2017), and "All 2017 CHBRP Bill Analyses Now Complete" (Posted 06/01/2017).

California
Health Benefits
Review Program

Two 2017 CHBRP Analyses
Showcasing Methods

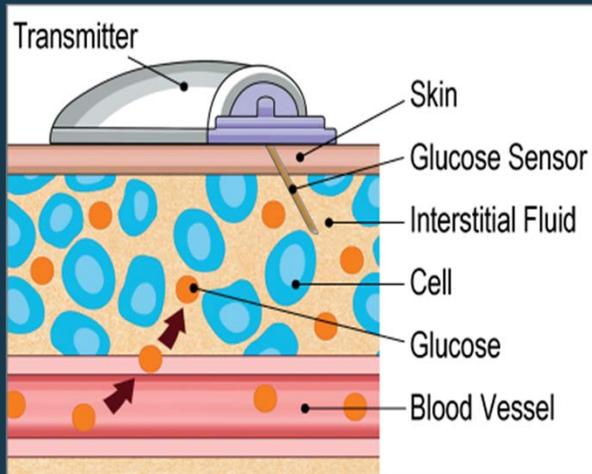
February 7, 2018

CALIFORNIA HEALTH BENEFITS REVIEW PROGRAM

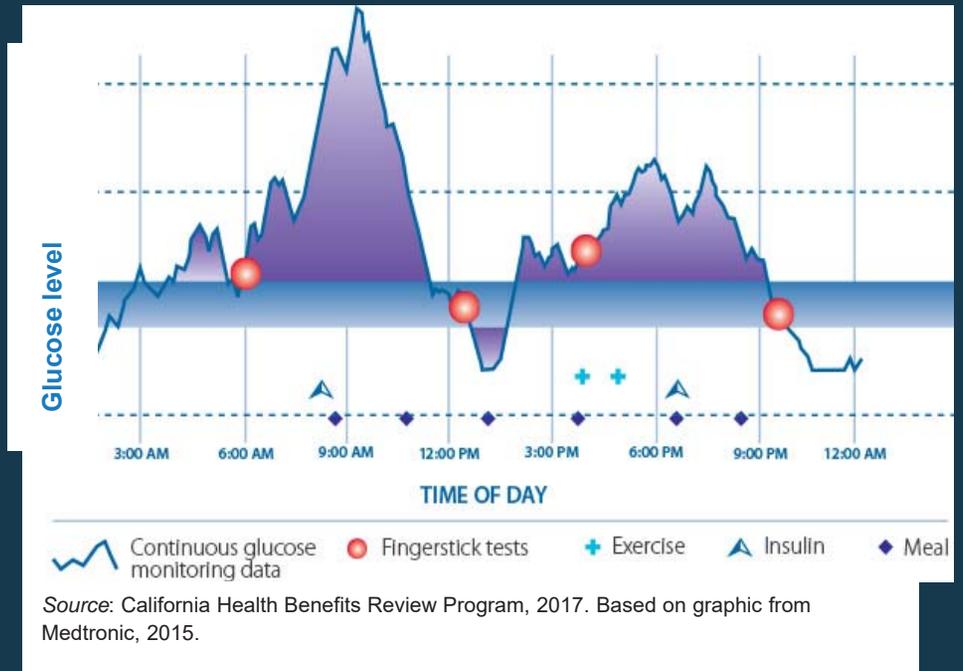


2017 Analysis:

AB 447 – Continuous Glucose Monitors

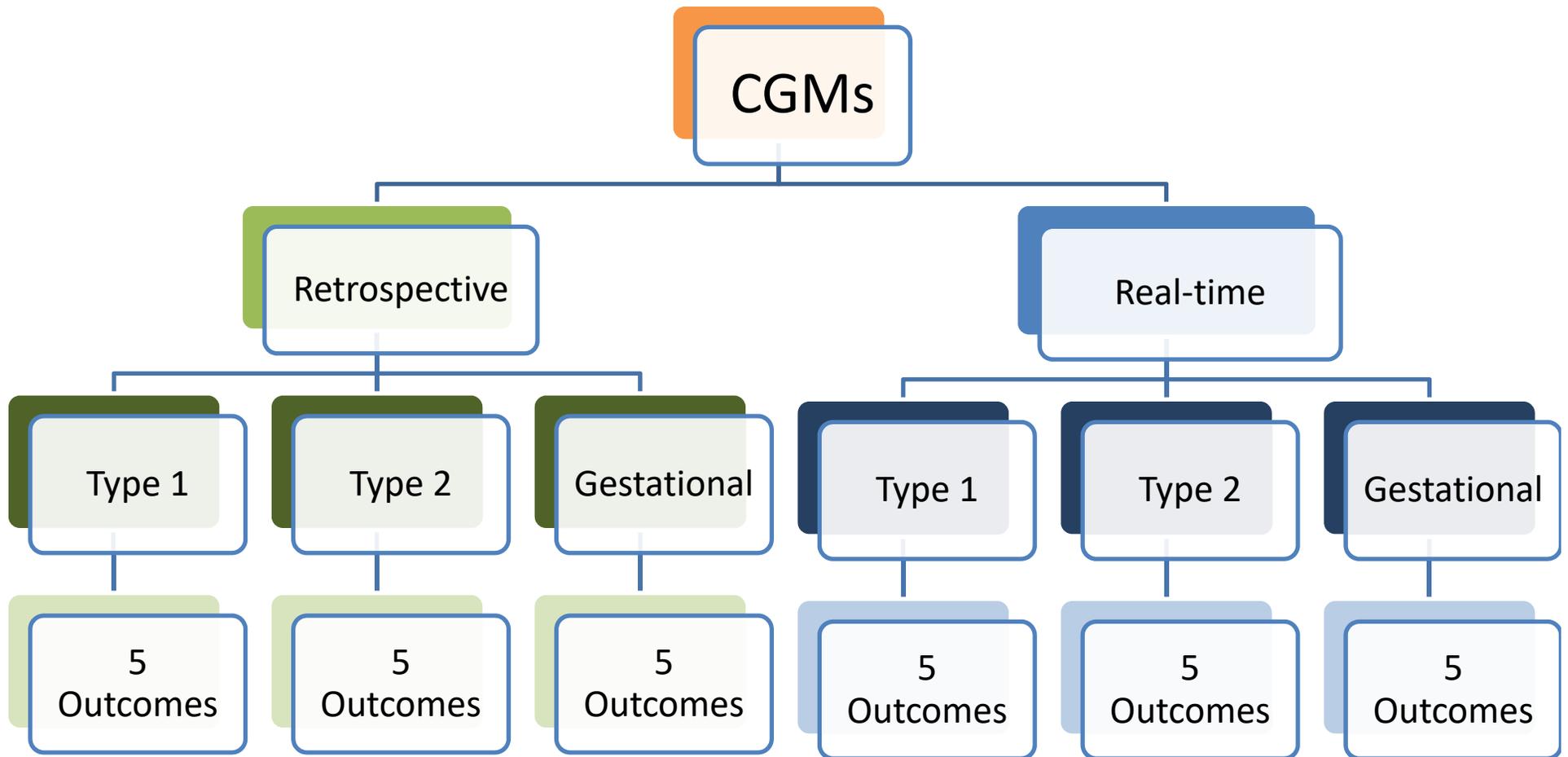


Source: Naomi Berrie Diabetes Center, Columbia University Medical Center, 2014



Adara Citron
Principal Analyst

MEDICAL EFFECTIVENESS REVIEW



MEDICAL EFFECTIVENESS CONCLUSION

Figure 5. Retrospective Continuous Glucose Monitors for Type 1 Diabetes Mellitus

Conclusion

CHBRP concludes that there is a preponderance of evidence based on one well-conducted systematic review of 7 RCTs that the use of retrospective CGMs for patients with type 1 diabetes mellitus are not effective.



MEDICAL EFFECTIVENESS SUMMARY

	Retrospective	Real-time
Type 1 Diabetes	Preponderance of evidence - not effective	Limited evidence - effective
Type 2 Diabetes	Limited evidence – not effective	Limited evidence – not effective
Gestational Diabetes	Limited evidence - effective	Insufficient evidence

COST AND PUBLIC HEALTH IMPACTS

- Cost Impacts
 - Benefit Coverage ↑ by 9% among Medi-Cal Managed Care enrollees, and 100% for FFS
 - Utilization ↑ by 2,255 users
 - Expenditures ↑ by \$2.1 million in Managed-Care, \$385,000 in COHS and unknown increase for FFS

2017 Analysis:

AB 1316 – Childhood Lead Poisoning Prevention

Erin Shigekawa
Principal Analyst





CHILDHOOD LEAD EXPOSURE

- No level of lead in the body is known to be safe.
- Common sources of lead include:
 - Lead-based paint (pre-1978);
 - Lead contaminated soil;
 - Dust contaminated with lead from paint or soil;
 - Some foods, cosmetics, and dishware with leaded glaze.
- Testing is one step of many.
 - Interventions: Environmental, educational, nutritional interventions, medical (chelation therapy)

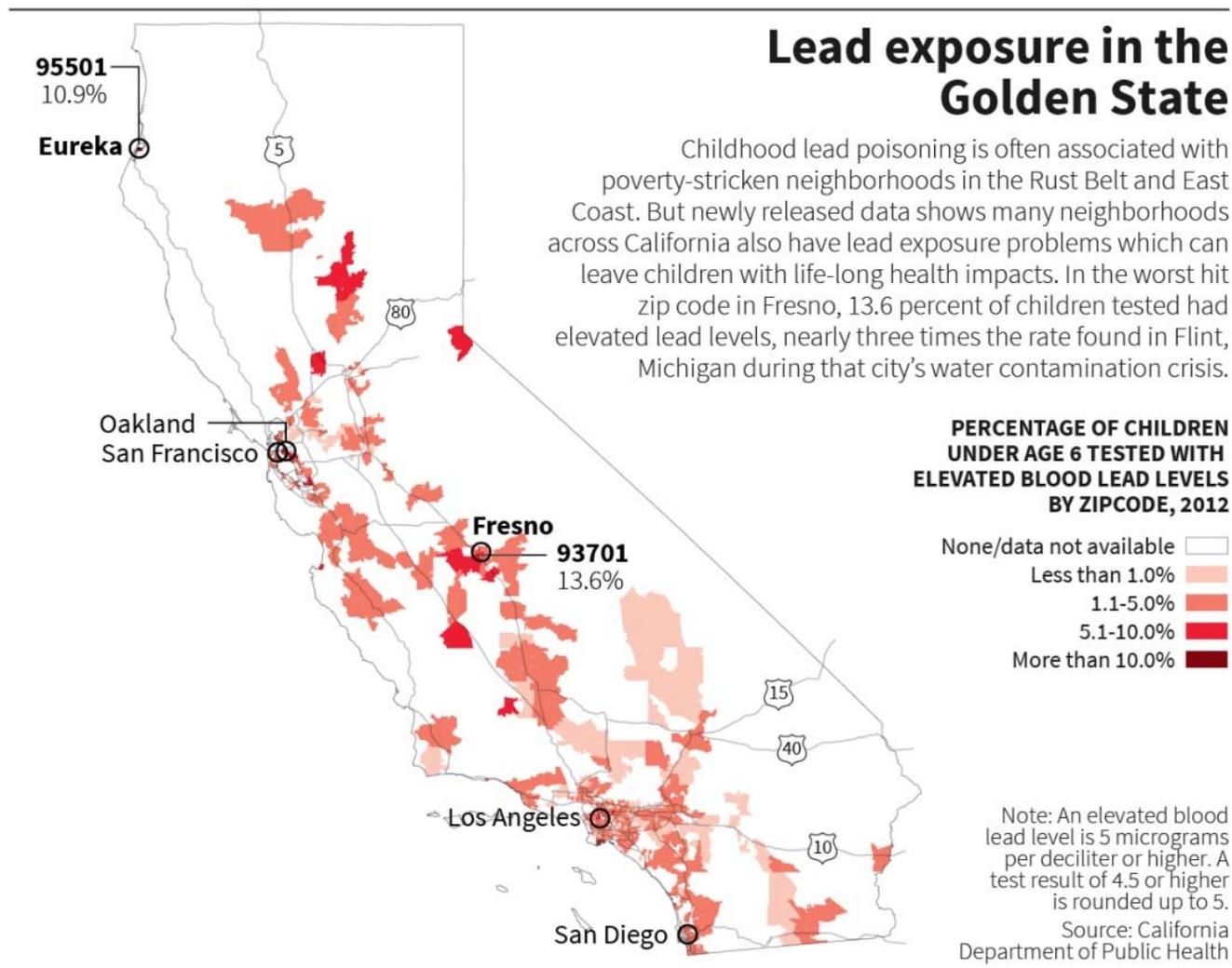
AB 1316: CHILDHOOD LEAD POISONING PREVENTION

As analyzed by CHBRP, AB 1316 would require:

- Certain health care service plans to **test blood lead levels of all children 6-72 months** (rather than only those “at-risk”)
 - Targeted → universal
- Appropriate case management if lead poisoning identified (via Department of Public Health)



LEAD EXPOSURE IN CALIFORNIA



C. Chan, M.B. Pell 21/03/2017



MEDICAL EFFECTIVENESS IMPACTS OF AB 1316



- **Individual Level:**
 - Damage is irreversible
 - However, steps can be taken to minimize further exposure



- **Population Level:**
 - Insufficient evidence that a universal screening approach is more effective than a targeted approach

PUBLIC HEALTH IMPACTS OF AB 1316



- **Individual Level:**

- CHBRP estimates 4,800 additional children with elevated blood lead levels would be identified in the first year; mitigation can occur



- **Population Level:**

- Potential for future identification of lead exposure “hot spots”
 - lead abatement, prevention on community level
 - requires action by other state agencies, stakeholders

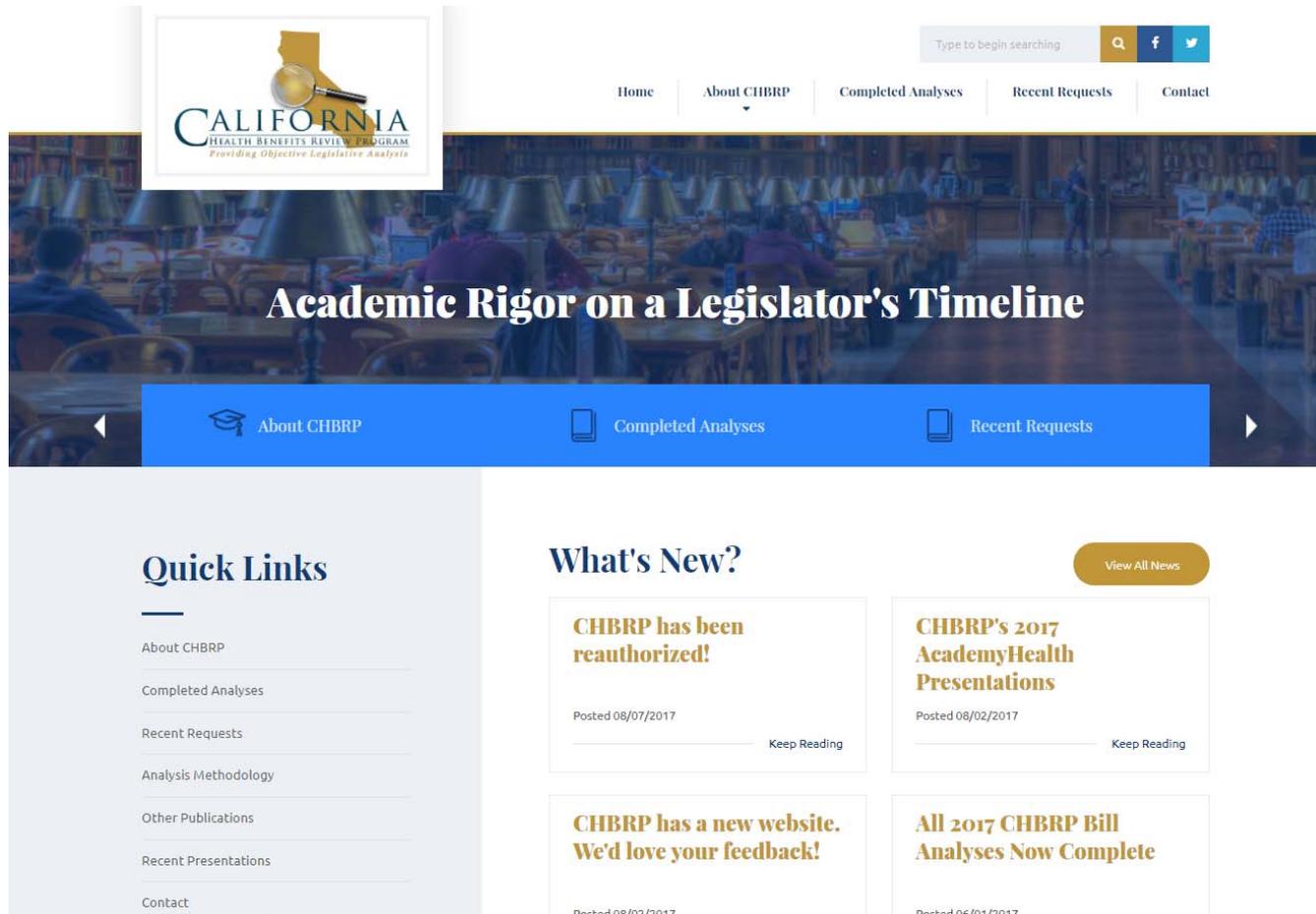
COST IMPACTS OF AB 1316

- Benefit coverage would not change; standard of care changes
- Estimate ~250,000 additional blood lead level tests in kids
 - Increase total net annual expenditures by \$6,221,000 (0.004%)



Questions?

www.chbrp.org



The screenshot shows the homepage of the California Health Benefits Review Program (CHBRP). At the top left is the CHBRP logo, which includes a map of California and a magnifying glass over a document, with the text "CALIFORNIA HEALTH BENEFITS REVIEW PROGRAM" and "Providing Objective Legislative Analysis". To the right of the logo is a search bar with the placeholder text "Type to begin searching" and icons for Facebook and Twitter. Below the search bar is a navigation menu with links for "Home", "About CHBRP", "Completed Analyses", "Recent Requests", and "Contact". The main content area features a large banner image of a library with the headline "Academic Rigor on a Legislator's Timeline". Below the banner is a blue navigation bar with icons and text for "About CHBRP", "Completed Analyses", and "Recent Requests". On the left side, there is a "Quick Links" section with a list of links: "About CHBRP", "Completed Analyses", "Recent Requests", "Analysis Methodology", "Other Publications", "Recent Presentations", and "Contact". On the right side, there is a "What's New?" section with a "View All News" button and four news items, each with a title, date, and a "Keep Reading" link.

Quick Links

- About CHBRP
- Completed Analyses
- Recent Requests
- Analysis Methodology
- Other Publications
- Recent Presentations
- Contact

What's New?

[View All News](#)

- CHBRP has been reauthorized!**
Posted 08/07/2017
[Keep Reading](#)
- CHBRP's 2017 AcademyHealth Presentations**
Posted 08/02/2017
[Keep Reading](#)
- CHBRP has a new website. We'd love your feedback!**
Posted 08/02/2017
- All 2017 CHBRP Bill Analyses Now Complete**
Posted 06/01/2017