PPACA Changes to Benefit Design
For Fully-Insured Group Products Only

The Patient Protection and Affordable Care Act (PPACA) put in place a number of “near term provisions” that take effect September 23, 2010. The act also includes many other changes that will become effective in the next several years. The material below is a summary of how Blue Cross of Idaho has interpreted the regulations and will implement changes in standard fully-insured group contracts beginning with Oct. 1 renewals, as that is the first possible coverage date after the September 23 effective date.

Please note: The descriptions below are general in nature, to allow for an overall view of Blue Cross of Idaho’s contract changes in concert with PPACA. For complete descriptions of these changes, please read your contract amendment language.

DISCLAIMER: Blue Cross of Idaho has made a good faith effort to apply the requirements of PPACA to our offered benefit plans. However, should the federal government revise, update or change the current interim rulings, the benefits described below are subject to change. Additionally, the benefit changes below should not be construed as legal recommendations, as Blue Cross of Idaho encourages all of its customers to seek their own legal counsel regarding the interpretation and significance of health care reform legislation and regulations. The changes described in this document are intended for Blue Cross fully-insured group business.

Dependent Age
- Adult children up to age 26 can be covered under a parent’s policy, regardless of marital status, income, financial status, educational status or place of residence.
- Adult children up to age 26 previously dropped from coverage who are now eligible may be added onto group policies at the group’s annual renewal.
- Groups must offer a 30 day open enrollment period for adding these dependents. This open enrollment period may coincide with the group’s annual open enrollment period.

Pre-Existing Waiting Period
- Insured children under the age of 19 have no waiting periods, limitations or exclusions because of pre-existing conditions.
- There are still waiting periods of 12 months after enrollment date for pre-existing conditions for members 19 years of age and older.

Essential Benefits
Below are the categories of essential benefits as expressed by PPACA along with some specifics about what Blue Cross of Idaho is covering in each category. For some of these benefits, there are visit maximums. Please note that PPACA requires us to remove dollar limits from essential benefits, but allows visit or day limits. Please direct your clients to their policies for specific coverage information.
- Ambulatory patient services
  - Physician office visits
  - Allergy injections
  - Dental services related to accidental injury
  - Home health skilled nursing care
  - Home intravenous therapy
  - Mammograms
  - Outpatient physical, speech and occupation therapy – replace the $2,000 limit with 20 visits
• Emergency services
  o Emergency care for illness and injury
  o Ambulance transportation services- $500 combined annual max has been removed under Essential Blue for Chambers.

• Hospitalization
  • Inpatient hospitalization
  • Surgical/medical professional services
  • Inpatient physical rehabilitation
  • Maternity and newborn care (some have separate maternity specific deductibles)
  • Skilled nursing facility services - limited to combined 30 days annually
  • Inpatient occupational
  • Post-mastectomy reconstructive surgery

• Mental health and substance use disorder services, including behavioral health treatment

• Prescription drugs
  o Prescription drug services, when covered annual maximums have been removed. (The $600 smoking cessation coverage remains in place.)

• Rehabilitative and habilitative services and devices
  o DME, orthotics and prosthetics

• Laboratory services
  o Diagnostic services - (we removed the $2,000 combined annual max for outpatient diagnostic services on Essential Blue for Chambers)

• Preventive and wellness services and chronic disease management
  • Preventive care – ( $500 first dollar annual max for in-network has been removed)
  • Respiratory therapy
  • Renal dialysis
  • Chemotherapy
  • Radiation therapy
  • Enterostomal care
  • Growth hormone
  • Pediatric services, including oral and vision care

Comprehensive Lifetime Benefit Limit
• Covered services are no longer subject to the standard $1 million comprehensive lifetime limit. Blue Cross of Idaho is changing this benefit to a $1.25 million annual maximum for essential benefits for 2011-2012. This will change again in 2012-2013 to a $2 million annual maximum and then there will be no annual maximum limit after 1/1/2014.
• Restoration benefits no longer apply under PPACA and will be removed from applicable policies.

Annual Maximum Benefit Limit:
Annual maximum dollar limits may be retained on non-essential benefits and do not apply to the $1.25 million annual maximum. The following services, when applicable, are deemed non-essential and have their own specific maximums or use limits:
• Chiropractic care
• Diabetes self-management education
• Hospice services
• Blue Distinction Center for Transplant travel benefits
• Smoking cessation prescription drugs
• Temporal mandibular joint dysfunction (TMJ)
**Lifetime Benefit Limit**
- Inpatient physical rehabilitation is deemed an essential benefit and is no longer subject to a lifetime limit.

**Benefit Period Limit**
Where applicable, Blue Cross of Idaho removed annual dollar limits for the following services that are deemed an essential benefit:
- Prescription drugs (if covered)
- Home health skilled nursing care services
- Durable medical equipment, orthotic devices and prosthetic devices
- Ambulance transportation services
- Outpatient diagnostic services

**Benefit Period Limit – Addition of visit limits**
- For the outpatient physical, speech and occupational rehabilitation therapy services, Blue Cross of Idaho has removed the standard $2000 annual combined limit and has replaced it with a limit of 20 visits.

**Emergency Services**
- Emergency care at contracting and non-contracting hospitals is covered with in-network benefits
- After the patient is stabilized, if the emergency care was delivered at a non-contracting hospital, Blue Cross of Idaho may move the patient to a contracting hospital
  - Required ambulance services for this move would be a covered service

**Preventive Care Benefits**
- We removed the standard $500 first-dollar maximum benefit for preventive care services and added new services to the list of covered preventive care services (see bold items below). When performed in-network, we cover the following services at 100%. We will cover these services out of network at varying levels depending on the member’s contract.
  - **Alcohol misuse assessment**
  - Annual adult physical examinations
  - **Aortic aneurysm ultrasound**
  - Bone Density
  - Chemistry panels
  - Cholesterol screening
  - Colorectal cancer screening (colonoscopy, sigmoidoscopy, fecal occult blood test)
  - Complete blood count (CBC)
  - **Diabetes screening**
  - Dietary counseling (limited to 3 visits per insured, per benefit period)
  - Genetic counseling for high risk family history of breast or ovarian cancer
  - **Health risk assessment for depression**
  - Newborn metabolic screening (PKU, thyroxine, sickle cell)
  - Lipid disorder screening
  - **Newborn hearing test**
  - Pap test
  - PSA test
  - Rubella screening
  - Routine or scheduled well-baby and well-child examinations
  - Screening EKG
  - Screening mammogram
  - **Smoking cessation counseling visit**
  - Thyroid stimulating hormone (TSH) test
  - **Transmittable diseases screening** (chlamydia, gonorrhea, HIV, syphilis, tuberculosis (TB))
  - Urinalysis (UA)
  - If maternity care is covered, then the following services are covered at 100% also:
    - Urine culture
    - Hepatitis B virus screening
    - Iron deficiency screening
    - Rh (D) incompatibility screening
The following immunizations are covered at 100% in and out of network. There are a few new preventive immunizations that will now be covered at 100% (see items in bold):

- Acellular pertussis
- Diphtheria
- Hemophilus influenza B
- Hepatitis A
- Hepatitis B
- **Human papilloma virus (HPV)**
- Influenza
- Measles
- Meningococcal
- Mumps
- Pneumococcus (pneumonia)
- Poliomyelitis (polio)
- Rotavirus
- Rubella
- Tetanus
- Varicella (chicken pox)
- **Zoster (shingles)**

**Adverse Benefit Determination**
- Our language defines an adverse benefit determination as, “any denial, reduction, rescission or termination of coverage, or the failure to provide payment” for services or treatment.

**Urgent Pre-Service Claim Appeals**
- Blue Cross of Idaho will respond within 24 hours after receipt of the claim, unless there is insufficient information to make a determination on the extent to which the requested services are covered.

Please note that these changes are intended for fully-insured groups. If you wish to make changes to other specific benefits, Blue Cross of Idaho PPACA core team and medical management staff may need to review other changes.