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January 31, 2012

Mr. Steve Larsen
Deputy Administrator and Director
Center for Consumer Information and Insurance Oversight
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services

Submitted electronically to EssentialHealthBenefits@cms.hhs.gov.

RE: Essential Health Benefits Bulletin

Dear Mr. Larsen;

The American Nurses Association (ANA) appreciates the opportunity to comment on the Center for Consumer Information and Insurance Oversight's December 16, 2011, pre-regulatory guidance, "Essential Health Benefits Bulletin." ANA's fundamental interest results from our standing as the only full-service professional organization representing the nation's single largest group of healthcare professionals, registered nurses, through our affiliated state and specialty societies, and individual members.

The development of essential health benefits (EHB) packages by the states offers an opportunity to review not only the services and needs to be met by basic insurance plans, but also the manner in which such care is delivered. In their deliberations, states must include an evaluation of access to care, taking into account the diverse needs of their population, including our most vulnerable groups. Securing access to true, patient-centered care also includes a fresh assessment of who is available to provide care and where that care can be delivered. This discussion – as well as others related to healthcare reform – spotlight the value of registered nurses in providing essential services to patients, families and communities.

ANA unswervingly supports the proposition that health care is a basic human right. For many years, we have supported the restructuring of the healthcare system to ensure universal access to a standard package of essential health care services for all citizens and residents. HHS's proposal that essential health benefits be defined by a benchmark, or "traditional employer," plan selected by each state builds in flexibility for states to consider their diverse populations' needs. ANA cautions, however, that in evaluating its needs, each state's development of essential benefits packages must extend to address the needs of its most vulnerable populations and include a full range of services from prevention and wellness through end-of-life care.

In particular, the Affordable Care Act (ACA) requires that policymakers "take into account the health care needs of diverse segments of the population, including women, children, persons with disabilities and other groups" when making decisions about what

constitutes essential health benefits. Registered nurses throughout the country will be advocating for these vulnerable populations as states are making their decisions. It is critical that the final EHB regulation includes specific federal oversight requirements to ensure that qualified health plans meet all appropriate and necessary criteria.

Furthermore, ANA is concerned that the state-by-state approach may lead some states to focus more on short-term “affordability,” rather than the availability of services needed to keep people healthy and productive over the long term. The Institute of Medicine (IOM) Report Brief, “Essential Health Benefits: Balancing Coverage and Cost” (Oct., 2011) addresses the reality that EHBs must be affordable for consumers, employers and taxpayers. Instead of simply asking “can we afford it,” the IOM creates a framework for analysis that considers needs, evidence, judicious resource allocation, and “economic tools” (presumably financial incentives) to improve value and performance. These criteria can help to reach a more comprehensive understanding of *value* in healthcare purchasing that reflects many of the innovations that HHS and the Centers for Medicare and Medicaid (CMS) are currently pursuing, both inside and outside the parameters of the ACA.

Questions of affordability must be linked to patient and population outcomes. Investment in prevention and chronic disease management, areas in which registered nurses play an indispensable role, has the potential to save cost not only in terms of money, but in human suffering, as well. Incentives for care coordination, essential work which is fundamental to registered nurses’ professional education and scope of practice, should be built in to plans to increase the quality and efficiency of care. As with prevention and chronic disease management, care coordination offers the potential for states to achieve savings while supporting the well-being and productivity of individuals or populations. As states strive to meet the required ten benefit categories established by the ACA, in an environment of scarce resources, funding for traditional “illness services” should be balanced with provisions for such health maintenance and improvement services which help to reduce the incidence of illness and costly institutionalization. One step states can take to achieve this goal is to shift more resources to primary and preventive, community-based care.

It appears likely that the state established benefits package will set a norm for insurance purchased through the state insurance exchanges and provide a standard for comparing policies purchased through the private market. Given the variance in state mandated insurance services, some individuals currently covered by insurance may gain in benefits offered and some may lose current benefits or have to pay extra for these additional services. Health plans authorized to offer covered services through a health exchange will be able to offer additional benefits beyond the scope of the EHB and for an additional price.

ANA understands that calculations of actuarial value are not addressed in the bulletin, but that guidance will be released in the near future. ANA believes there is another issue that must be considered beyond equivalence in cost. The ACA calls for approximate actuarial equivalence in plans considered to meet the EHB standard so that any additional or expanded benefits would be balanced by a reduction in the selected

benchmark plan benefits. Actuarial value is an important consideration; however, states should also consider the value to patients and populations of proposed expanded or additional benefits and not simply the cost to the provider or the insurer in offering those services. These are not easy comparisons to make but this is an issue that should be kept in mind in responding to proposed alternative EHB plans. The same criteria considered during the original inclusion and valuation determinations should carry over to evaluation of these new or expanded benefits. The IOM's framework for analysis would again be brought into play, considering needs, evidence, judicious resource allocation, and "economic tools" (comparative effectiveness measures and perhaps value-based financial incentives) to improve value and performance. If, for example, the services in two actuarially equivalent packages are both evidence based, then we would have more confidence that the value to the patients or populations affected could also be comparable.

ANA also calls on HHS and the states to authorize the full range of eligible health care professionals to provide the programs and services made available to patients, as permitted by law. It is a mistake to use existing programs as the model for services that will be offered if the EHBs continue the practice of limiting the universe of healthcare professionals who can provide these services. In particular, the credentialing policies of private insurers currently create a significant barrier to care. These restrictive practices must change in order to ensure that sufficient numbers and types of providers are available. The definition of who is authorized to provide the services within the essential health benefits package must be broadly defined and inclusive of all eligible providers. ANA strongly recommends that potential benchmark plans in any state be disqualified from consideration where existing credentialing policies discriminate against any class of qualified clinicians operating within the state's scope of practice.

Registered nurses and APRNs can contribute significantly to states' efforts to provide value for their healthcare dollars spent. In serving diverse populations, providing care coordination, and expanding access to care, among other roles, registered nurses provide a considerable opportunity for states seeking to allocate resources wisely, in a way that best provides for the health of their populations. Registered nurses are a profound resource for states as they design and implement their essential health benefits packages. ANA urges both HHS and the states to seek, and listen closely to, registered nurses' input throughout the decision-making process.

Thank you for your consideration of ANA's comments and concerns regarding the design and adoption of essential health benefits packages, pursuant to the ACA. Please direct any questions to Cynthia Haney, JD, Sr. Policy Fellow, at cynthia.haney@ana.org.

Sincerely,



Marla J. Weston, PhD, RN
Chief Executive Officer

cc: Karen A. Daley, PhD, MPH, RN, FAAN
President, American Nurses Association