

Attachment 1

Change to Basic Plan
Non-Grandfathered Status
As Defined by Health Care Reform

As mentioned in the February 1, 2011 memo to all group medical insurance participants, the Basic Plan has been determined to have “non-grandfathered” status as defined by Health Care Reform effective January 1, 2011. Below are listed the items that will be changing within the Basic Plan and the date the change is effective:

Preventive Care. Beginning January 1, 2011, the Basic Plan will cover in-network preventive care and recommended immunizations **without cost sharing by the participant** (before, the Basic Plan covered in-network preventive care services at 100% after a \$30 co-pay). **PLEASE NOTE: Blue Cross & Blue Shield of Texas, Inc. will automatically reprocess any affected claims that were incurred during the month of January and send reimbursements to participants as necessary.**

Claims Appeals. Beginning January 1, 2011, the Basic Plan will provide for an external review process, consistent with guidance to be issued by the Federal Health and Human Services Department (HHS). Although external review processes are rare, participants will have access to two independent review organizations. The costs associated with the external review will be charged to the Plan. Blue Cross and Blue Shield estimate that the cost per external review will be approximately \$700.

Quality of Care Reporting. Beginning January 1, 2011 (or upon receiving published guidance from the Health and Human Services Department (HHS)), the Basic Plan will provide annual reporting (through Blue Cross and Blue Shield of Texas, Inc.) to participants and HHS detailing whether the coverage under the plan: improves health outcomes through activities, such as quality reporting, case management, care coordination, chronic disease management; implement activities to prevent hospital readmission; implement activities to improve patient safety and reduce medical errors; implement wellness and health promotion activities. Blue Cross and Blue Shield of Texas, Inc. is awaiting guidance from HHS before developing this required reporting.

No Cost Sharing for Essential Benefits. The Basic Plan currently has a maximum cost-sharing of \$3,000 for an individual and \$6,000 for a family. The requirements of the Health Care Reform are \$5,950 for an individual and \$11,900 for a family; however, **the Basic Plan’s cost sharing will not be increased for Plan year 2011.**

Additional Information. The Basic Plan (through Blue Cross and Blue Shield of Texas, Inc.) will be required to provide additional information to HHS, the State Insurance Commissioner and make the information available to the public. Information includes: claims payment, policies and practices, financial disclosures, enrollment and disenrollment data, number of claims denied, information on cost sharing and other such information determined by HHS. HHS has not yet issued guidance on this reporting.

Primary Care Physician. Effective January 1, 2011, all non-grandfathered plans which require that participants select a primary care physician must allow the participant to select any in-network provider. Since the current Basic Plan does not require participants to select a primary care physician, **this provision does not impact the Plan.**

OB-GYN Services. Effective January 1, 2011, non-grandfathered plans cannot require a covered person to obtain authorization or referral before obtaining OB/GYN services from an in-network provider. Since the current Basic Plan does not require this type of authorization or referral, **this provision does not impact the Plan.**

Emergency Services. Effective January 1, 2011, non-grandfathered plans must cover in-network and out-of-network emergency services on the same basis and must not impose any prior authorization for such services. Since the current Basic Plan already provides this benefit, **this provision does not impact the Plan.**

Clinical Trials. Beginning January 1, **2014**, non-grandfathered plans must cover costs of approved clinical trials. This will be a **new benefit under the basic Plan beginning in 2014.**

The following citation contains a list of preventive services that have a [rating of A or B](#) from the U.S. Preventive Services Task Force that are relevant for implementing the Affordable Care Act.

Internet Citation:

USPSTF A and B Recommendations. August 2010. U.S. Preventive Services Task Force.
<http://www.uspreventiveservicestaskforce.org/uspstf/uspsabrecs.htm>