

Arkansas Insurance Department

Mike Beebe
Governor



Jay Bradford
Commissioner

DIRECTIVE NO.: 1-2013

TO: ACCIDENT AND HEALTH INSURERS, HEALTH MAINTENANCE ORGANIZATIONS, HOSPITAL MEDICAL SERVICE CORPORATIONS, AND OTHER INTERESTED PERSONS

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: DECLARATION OF PEDIATRIC VISION AND HABILITATIVE SERVICE BENEFITS IN ARKANSAS'S ESSENTIAL HEALTH BENEFITS BENCHMARK PLAN

DATE: February 6, 2013

On September 21, 2012, the Arkansas Insurance Commissioner ("Commissioner") issued Directive 2-2012, "Selection of Arkansas's Essential Health Benefits Benchmark Plan." Since the issuance of Directive 2-2012, HHS released a proposed rule on November 26, 2012, entitled "Standards Related to Essential Health Benefits, Actuarial Value and Accreditation." This proposed rule made three substantial changes to what would be allowed to be addressed by state insurance departments in the selection of EHBs. First, States were to be allowed to define how habilitative services would be defined. Second, pediatric vision, which had originally been limited only to the federal pediatric vision plan, was extended to allow the State CHIP program as an option for providing benefits. Finally, the state was allowed to recommend the age limit for pediatric dental and vision.

The Plan Management Advisory Committee ("PMAC") met on December 14, 2012, in relation to these new state options and recommended to the Steering Committee that the pediatric vision benefit selection be changed to the State CHIP plan. Additionally, PMAC recommended that pediatric dental and vision benefits extend until the child's 19th birthday to be in conformity with the State CHIP plan. Finally, PMAC recommended a definition for habilitative service with specific limiting factors. On December 20, 2012, the Steering Committee approved the recommendations related to pediatric vision, limitations on age, and the base definition for habilitative services. However, the Steering Committee sent the limitations portion related to habilitative services back to the PMAC for further discussion and recommended that we seek an extension until January 31, 2013 to supplement this portion of the definition to HHS. The Commissioner accepted these recommendations on December 21, 2012.

PMAC met again on January 11, January 18 and January 24, 2013, to discuss the limitations and actuarial implications related to habilitative services. A recommendation was made, and later accepted by the Steering Committee on January 24, 2013 to accept the following definition with the understanding that all coverage options would be offered in parity with rehabilitation services:

DEFINITION OF HABILITATIVE SERVICES

Habilitative Services are services provided in order for a person to attain and maintain a skill or function that was never learned or acquired and is due to a disabling condition.

COVERAGE OF HABILITATIVE SERVICES

Subject to permissible terms, conditions, exclusions and limitations, health benefit plans, when required to provide essential health benefits, shall provide coverage for physical, occupational and speech therapies, developmental services and durable medical equipment for developmental delay, developmental disability, developmental speech or language disorder, developmental coordination disorder and mixed developmental disorder.

The Commissioner accepted this recommendation on January 29, 2013.

With the acceptance of these recommendations, the Commissioner hereby amends Directive 2-2012 to replace the former EHB selections of pediatric vision and habilitative services with the Arkansas CHIP plan for vision and with the definition of habilitative services as adopted by the PMAC and Steering Committees. Pediatric Dental and Vision services extend to age 19. Therefore with these changes, the Arkansas Benchmark Selection will be:

Benchmark Plan	Blue Cross Blue Shield Health Advantage Point of Service Small Group
Mental Health Substitution	QualChoice Federal Essential Health Benefit Plan
Pediatric Vision and Dental	Arkansas CHIP to age 19
Habilitative Services	As defined above

Any questions regarding this Directive should be directed to the Legal Division of the Arkansas Insurance Department at 501-371-2820 or via e-mail at insurance.legal@arkansas.gov.



JAY BRADFORD
ARKANSAS INSURANCE COMMISSIONER

February 6, 2013
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