

Consolidated Appropriations Act Update

Item 6 – Group Insurance Board

Renee Walk, Lead Policy Advisor
Office of Strategic Health Policy



Informational Item Only

- No Board action is required

Background

Transparency in Coverage Rules (TiC) issued November 2020

Consolidated Appropriations Act (CAA) signed December 2021

- No Surprises Act (NSA)
- Transparency provisions

NSA: Surprise Medical Bills

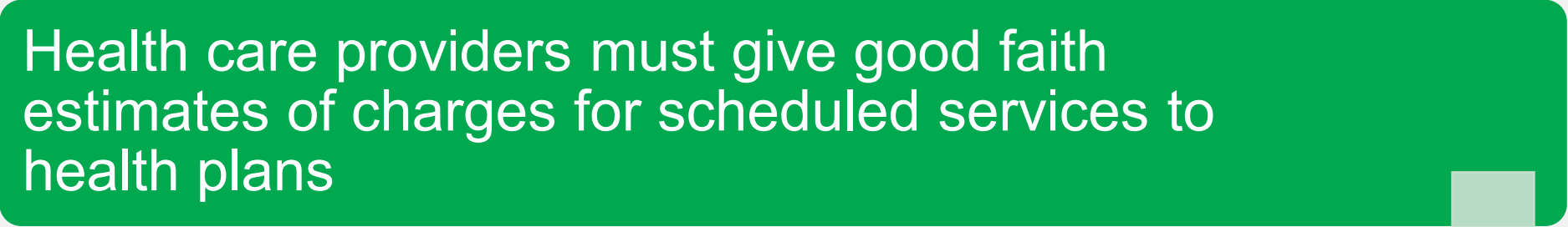
- Members billed for difference between plan paid and provider billed
 - Typically, after out-of-network services
- Starting 1/1/2022, NSA protects members from surprise bills for:
 - Emergency services (including post-stabilization)
 - Non-emergency services provided at an in-network facility
 - Air ambulance services

NSA: Surprise Medical Bills, Continued

- Members can only be billed more if they are provided detailed notice and consent to charges
 - Only applies to post-stabilization services
 - Emergency and ancillary service providers cannot request consent for billing
- Health plans must work with providers to settle payments
 - Members are not assessed any additional costs, regardless of final payment amount

NSA: Good Faith Estimates & Advance Explanation of Benefits

Health care providers must give good faith estimates of charges for scheduled services to health plans



Once received, plans must send Advanced Explanation of Benefits (Advanced EOBs) to members



Enforcement delayed until rules are developed



NSA: Provider Directories

- Plans must create public provider directories on their websites
- Must be checked and updated every 90 days
- Updated within two business days of receiving new provider information
- Implementation is delayed pending rulemaking, but good faith effort to comply is expected in interim

NSA: ID Cards

- Starting January 1, 2022, health plan ID cards must include:
 - Deductibles
 - Out-of-pocket maximums
 - Customer service phone numbers
 - Website address
- Additional rules are forthcoming, but good faith compliance effort expected

NSA Impact to Plans

Minimal impact:

- Decrease in member out-of-pocket costs
- Shift from non-network to network providers

Potential savings:

- Change in total plan payments based on defined payment amounts

Potential costs:

- Post-stabilization services at in-network cost sharing
- Increase administrative costs

NSA Impact to Members

Minimal change to out-of-pocket costs

Existing Certificate has balance billing protections

Benefit from Advanced EOBs, better directories, and ID card information

Possibly greater post-emergency service coverage

CAA/TiC: Online Price Comparison Tools

- Allow users to search covered service costs and cost sharing
- CAA required tools to cover all services 1/1/2022
- TiC rules only require 500 services be available and not until 1/1/2023
- Departments delaying enforcement of CAA provision until 1/1/2023

CAA/TiC: Machine-Readable Files

TiC rule requires plans also make machine-readable pricing files available online

- In-network providers: current contract pricing
- Out-of-network providers and prescription drugs: historical net pricing (post-rebate)
- Updated monthly

Intended for use by researchers and other third parties

Enforcement for provider files delayed until plan years starting after 7/1

Pharmacy file enforcement delayed pending federal rules to reconcile CAA pharmacy reporting requirement

TiC/CAA Transparency Impact on Plans

Potential Savings

- Change in contracting approaches following transparency
- Member price sensitivity

Potential Costs

- Administrative costs to set up and maintain tools

Uncertain Impact

- Legal challenges to rulemaking

Tic/CAA Transparency Impact on Members

Possible impact to member service choices

- More likely with HDHP

Rules don't require provider quality information

- Only one of the Board's plans stated intent to include quality

Promotion of tools by ETF and plans may influence use

Communications

- Member education critical to understanding new rights
- Many provisions are substantially similar to current Certificate/Agreement
 - External enforcement on providers will likely reduce balance billing complaints
- ETF asking plans to share communications plans
- <https://etf.wi.gov/no-surprises-act>

The background is a dark blue gradient with numerous out-of-focus light spots in shades of blue and purple, creating a bokeh effect.

Questions?