

## Eli's Rehab Report

### Affordable Care Act: Insurance Plans in the Hot Seat Over Habilitation Coverage

#### SBCs unclear, required benefits missing.

Don't let new Affordable Care Act (ACA) coverage fall off your radar. What your patients ☐ and insurance companies ☐ don't know could be costing you rightfully earned therapy dollars.

Last fall, the American Occupational Therapy Association (AOTA) completed a review of the Essential Health Benefits (EHBs) available under the ACA. The report from AOTA analyzed 266 health plans relating to rehabilitative and habilitative service coverage and specifically examined each plan's Summary of Benefits and Coverage (SBC).

**The problem:** The plans' SBCs are "lacking critical information" for consumers to make informed choices, and some plans even fall short of benchmark coverage requirements, AOTA stated in a press release.

"Every plan on the exchange has to cover habilitation and rehabilitation; the question is, how is it being covered? What is the number of covered visits? Is the coverage for PT and OT and speech combined or separate? Etc.," says **Chuck Willmarth**, director of health policy and state affairs for AOTA.

These are the details that many of the SBCs are missing, leaving consumers unaware of potential coverage. "Until you start asking the insurance commissioners, 'Are you going to pay for this?' you may not know," Willmarth tells **Eli**.

#### 'Habilitative' Definition Started Off on the Wrong Foot

Some plans even fall short of benchmark coverage requirements, according to the AOTA report. The EHBs required by the ACA include rehabilitative and habilitative services. The problem is, not everyone is defining these terms the same way, especially "habilitative."

The **National Association for Insurance Commissioners** (NAIC) provides uniform definitions of habilitative and rehab that currently serve as a guideline (also found on [healthcare.gov](http://healthcare.gov)), but not everyone follows them:

**Habilitative:** "Health care services that help you keep, learn, or improve skills and functioning for daily living. Examples include therapy for a child who isn't walking or talking at the expected age. These services may include physical and occupational therapy, speech-language pathology, and other services for people with disabilities in a variety of inpatient and/or outpatient settings."

**Rehabilitative:** "Health care services that help you keep, get back, or improve skills and functioning for daily living that have been lost or impaired because you were sick, hurt, or disabled. These services may include physical and occupational therapy, speech-language pathology, and psychiatric rehabilitation services in a variety of inpatient and/or outpatient settings."

When establishing benchmark plans, states were permitted to define habilitative services themselves, Willmarth explains. For states that did not, health insurance carriers were authorized to decide how to cover habilitative services. As a result, coverage varies considerably between states and plans and in some cases walks a fine line of leaving out services that must be legally covered.

**Example:** "Coverage for habilitative services in Ohio is restricted to those who have autism under a certain age, but in our view, there should be no age restriction for habilitative services because the ACA says you can't discriminate based on age or condition," Willmarth says.

California also falls short. "They've [specifically] excluded some important areas where clients should have access to habilitative services," Willmarth says. "Insurance companies lobbied for that provision, and basically it gets them out of important coverage."

### **Communicate With Your Patients ☐ and Your State Insurance Commissioner**

The **Department of Health and Human Services** (HHS) has launched two proposed rules, since AOTA's report came out, that will hopefully begin to smooth out some of these issues. One rule proposes a uniform definition for habilitation, which would apply to states that didn't develop their own definition. The other proposed rule is in regards to the SBCs. "

The definition [in the first proposed rule] ended up being the first part of the NAIC definition, but it left out the second part that says 'includes OT,PT, Speech, and other services,' so we suggested this be included in our comments," Willmarth says.

**Meanwhile:** To ensure you're not losing patients ☐ and therapy dollars ☐ due to unclear benefits, know your state's definition of habilitative services so you can educate your patients. Have a general feel of the major insurance companies offering plans on the exchange and the levels of habilitation and rehabilitation are available to people with that coverage.

"Many [patients] don't know what habilitative services are, and, [furthermore,] they don't know those services are covered," Willmarth says. That's where you can come in and educate.

**Next step:** If your patients' plans are unclear or lacking mandated habilitation coverage in the SBC language, file a complaint with your state insurance commissioners regarding these documents, Willmarth suggests. "One of the things we've learned is that insurance commissioners are complaint-driven," he says. AOTA has also been working with state associations to inform and educate them about deficient SBCs.

To read the full AOTA report, visit <http://tinyurl.com/mtmzeb6>.