

Essential Health Benefits

Criteria

Criteria to Guide Content of the Aggregate EHB Package

In the aggregate, the EHB must:

- **Be affordable** for consumers, employers, and taxpayers.
- **Maximize the number of people with insurance coverage.**
- **Protect the most vulnerable** by addressing the particular needs of those patients and populations.
- **Encourage better care practices** by promoting the right care to the right patient in the right setting at the right time.
- **Advance stewardship of resources** by focusing on high value services and reducing use of low value services. Value is defined as outcomes relative to cost.
- **Address the medical concerns of greatest importance** to enrollees in EHB-related plans, as identified through a public deliberative process.
- **Protect against the greatest financial risks** due to catastrophic events or illnesses.

Criteria to Guide EHB Content on Specific Components

The individual service, device, drug for the EHB must:

- **Be safe**—expected benefits should be greater than expected harms.
- **Be medically effective** and supported by a sufficient evidence base, or in the absence of evidence on effectiveness, a credible standard of care is used.
- **Demonstrate meaningful improvement** in outcomes over current effective services/treatments.
- **Be a medical service**, not serving primarily a social or educational function.
- **Be cost effective**, so that the health gain for individual and population health is sufficient to justify the additional cost to taxpayers and consumers.

Caveats:

Failure to meet any of the criteria should result in exclusion or significant limits on coverage.

Each component would still be subject to the criteria for assembling the aggregate EHB package.

Inclusion does not mean that it is appropriate for every person to receive every component.

Criteria to Guide Methods for Defining and Updating the EHB

Methods for defining, updating, and prioritizing must be:

- **Transparent.** The rationale for all decisions about benefits, benefit design, and changes is made publicly available.
- **Participatory.** Current and future enrollees have a role in helping define the priorities for coverage.
- **Equitable and consistent.** Enrollees should feel confident that benefits will be developed and administered fairly.
- **Sensitive to value.** To be accountable to taxpayers and plan members, the covered service must provide a meaningful health benefit.
- **Responsive to new information.** EHB will change over time as new scientific information becomes available.
- **Attentive to stewardship.** For judicious use of pooled resources, budgetary constraints are necessary to keep the EHB affordable.
- **Encouraging to innovation.** The EHB should allow for innovation in covered services, service delivery, medical management, and new payment models to improve value.
- **Data-driven.** An evaluation of the care included in the EHB is based on objective clinical evidence and actuarial reviews.