

# California Health Plans Are Advocating to Make Quality Health Care More Affordable and Accessible for All

## Balancing Diverse Needs in California's Healthcare System

### Benefit mandates increase healthcare costs for everyone.

It's tempting to think of expanding health care coverage to include everything under the sun. As legislators continue to mandate more and more specialty treatments and services, premiums go up for everyone, whether they use those services or not.

Many of these specialty treatments and service mandates are not covered under the highly comprehensive and popular insurance programs Medi-Care and Medi-Cal. This begs the question: Are more prescriptive mandates necessary to provide good quality healthcare that satisfies Californians and keeps them healthy?

### California's Essential Health Benefits: Required Coverage that Benefits the Greatest Number of People While Still Being Affordable.

To keep health plans comprehensive — yet affordable — for everyone, California leaders selected California's Essential Health Benefits. As of 2014, The Affordable Care Act requires that all health insurance plans offered in the individual and small-group markets must provide a comprehensive package of items and services, known as essential health benefits (EHBs). The EHBs were determined over robust discussion, research, and analysis with the goal of creating plans that benefit the greatest number of people without reaching astronomical costs.

**The conundrum.** New mandates raise the cost for everyone — yet the mandates themselves might only benefit a relatively small number of people. Therein lies the challenge: how do we balance comprehensive healthcare and affordability?

### Moving Forward Thoughtfully

Together, health plans, legislators, and the administration can work on a logical approach to benefits and coverage. Areas to explore include:

- Re-examining whether a different Essential Health Benefits package is necessary to help eliminate one-off benefit mandate bills; and
- Always look at the bigger picture by cumulatively reviewing the affordability impacts of estimated increased costs of bills mandating coverage of advanced specialty services
- Avoid stand-alone benefit mandates

As providers of health care coverage for more than 26 million Californians, California Health Plans are dedicated to ensuring that everyone has access to high quality, affordable health care.

### Did you Know?

Benefit mandates that exceed the Essential Health Benefits selected by California expose the state's general fund to increased cost. This is because the federal government requires states to cover the cost of mandates that exceed the state selected EHBs.

