



A Comparison of Medi-Cal Benefits and Covered California Essential Health Benefits

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Covered California's (Covered CA) second open enrollment period began on November 15, 2014, and Californians must once again navigate the maze of health insurance options available through California's health insurance marketplace. Some consumers, due to changes in income for example, may have to transition from Medi-Cal coverage to private coverage in Covered CA, or vice versa. In addition to experiencing changes in provider networks and out-of-pocket costs, these individuals may also face changes in their covered benefits.

This fact sheet identifies key differences between the minimum benefits provided by Medi-Cal and Covered CA Qualified Health Plans (QHPs). Both Medi-Cal managed care plans and Covered CA QHPs may offer additional services beyond the minimum scope of services that these plans are legally required to cover. Due to the wide variation that could exist among plans, the comparison that follows only focuses on the benefits that the plans must provide at a minimum under the law.

This fact sheet is for consumer advocates assisting enrollees who are transitioning from Medi-Cal to Covered CA coverage or vice versa and provides: 1) a general overview of how benefits are covered in Medi-Cal and Covered CA, 2) a list of considerations when comparing benefits, and 3) a chart that outlines specific differences. Although not every difference is outlined in the chart, the information will allow advocates to help consumers understand the general differences in benefits. Individuals will still need to consult their plan's Evidence of Coverage to note the exact differences between a specific Covered California plan and Medi-Cal.²

I. Basic Structure of Benefits

Medi-Cal

Medi-Cal primarily serves low-income individuals and families, including individuals with disabilities, and is governed and funded by both the state and federal governments cooperatively.³ Medi-Cal eligible individuals have access to benefits that the federal government has made mandatory in addition to optional services that the state has

elected to provide.⁴ California also offers some additional services through Medi-Cal Waivers, but individuals may have to fulfill additional requirements to be eligible for these services.⁵ Children and adolescent beneficiaries under the age of 21 are entitled to an expanded scope of medically necessary health care services, whether or not those services are also available to adults, as required by the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program of the federal Medicaid Act.⁶

Covered CA

Californians who are not eligible for Medi-Cal coverage may be able to enroll in a private health insurance plan in Covered CA. These QHPs are required under federal and state law to cover Essential Health Benefits (EHBs).⁷ In California, this includes, but is not limited to, the benefits in California's EHB base-benchmark plan, which is the Kaiser Small Group HMO 30 Plan as offered in the first quarter of 2012, certain supplemental services, such as pediatric dental and vision services, habilitative services as defined in California's EHB law, and state mandated benefits including medically necessary "basic health care services."⁸

II. Considerations when Comparing Benefits

The following considerations are also important when comparing the benefits offered by Medi-Cal and Covered CA QHPs and viewing the chart in Section III of this fact sheet.

Cost-Sharing

- **Cost-sharing will vary.**⁹ Cost-sharing, such as copayments, coinsurance, or deductibles, varies between Medi-Cal and Covered CA QHPs. There are also cost-sharing differences depending on the metal tier of the plan chosen in the marketplace. Individuals should always review their plan's Evidence of Coverage because, while a certain benefit may be covered by both Medi-Cal and a plan in the marketplace, the out-of-pocket costs could significantly impact a person's ability to access the benefit.

Prior Authorization

- **Benefits may be subject to prior authorization requirements.** Plans may require enrollees and providers to follow certain procedures before they will approve a particular treatment, and those procedures may vary depending on the plan. For example, a plan may require an enrollee to obtain a referral from a primary care provider to access a specialty visit or may require the enrollee's doctor to submit documentation showing that a treatment is medically necessary before the plan will provide it. The chart in Section III lists just the benefits and not all requirements to access a benefit.

Plans in the Marketplace

- **Benefits in QHPs regulated by the California Department of Managed Health Care may differ slightly from benefits in QHPs regulated by the California Department of Insurance.**¹⁰ Each regulator has some discretion over how it interprets the benefits requirement, and may reach different results. The chart does not distinguish between the QHPs, though there may be some interpretive differences.
- **The Multi-State Plan in the marketplace may provide different benefits than the other QHPs.** The Multi-State plan is not required to abide by California state mandates and must only comply with federal law, which means this plan could offer different benefits.¹¹

Medi-Cal Benefits

- **Medi-Cal waivers provide additional benefits.**¹² Medi-Cal waivers allow California to provide certain services to specific groups of individuals and deliver these services in a unique manner. While some Medi-Cal waiver benefits are listed on the chart, not every waiver benefit is described.
- **Medi-Cal Managed Care “carves out” certain benefits.** Medi-Cal “carves out” certain services, such as dental or specialty mental health services, which means that these services are not provided by the health plan directly, but are available from another source. Which services are carved out may also depend on the county a consumer lives in and may involve a different delivery system. Medi-Cal managed care plans have a responsibility to coordinate all care for their enrollees, including carved out benefits.
- **Full-scope Medi-Cal benefits are listed.** Individuals who have limited scope Medi-Cal, including emergency or pregnancy-related services only, may not be able to access some of the services listed under Medi-Cal covered benefits in the chart in Section III.

- Benefits for adults in the Medi-Cal Program are listed in the chart rather than EPSDT benefits for children since EPSDT benefits are structured differently and are more comprehensive. Due to the EPSDT mandate for individuals under age 21, the limits on services for adults cannot apply to services for children in the Medi-Cal program. In addition, the frequency at which a specific screening must occur might vary depending on the age of the child. For additional information on covered services and screening intervals in the EPSDT program, please consult CMS' EPSDT- A Guide for States: Coverage in the Medicaid Benefit for Children and Adolescents.¹³

General

- There may be differences that impact access to Prescription Drugs. Although there are different requirements, in practice it is difficult to compare prescription drugs an individual can access in Medi-Cal versus a Covered CA QHP because it will depend on medical necessity and each plan's procedures for showing medical necessity. For example, the Medi-Cal List of Contract Drugs is a list of prescription drugs that Medi-Cal will cover.¹⁴ However, Medi-Cal managed care plans have discretion to devise their own formularies, and, upon showing medical necessity, Medi-Cal beneficiaries may be able to obtain other prescription drugs as well.¹⁵ In Covered California, QHPs at a minimum are required to provide the same number of prescription drugs in each United States Pharmacopeia (USP) category and class as the Kaiser Small Group HMO 30 Plan as offered during the first quarter of 2012.¹⁶ Where there are zero drugs covered in a USP category or class, plans must at least cover one drug in that category or class.¹⁷ Also, as in Medi-Cal, enrollees in QHPs may be able to obtain other prescription drugs upon showing medical necessity.¹⁸
- The benefits listed in the chart below are the benefits plans are *required* to provide, not every benefit that a plan could offer.

III. Comparison of Medi-Cal Benefits and Covered CA Essential Health Benefits

The following chart outlines some differences in Medi-Cal benefits and the benefits that QHPs must cover. Again, a particular QHP may still choose to offer services that are not EHBs. For a detailed explanation of how this list was developed, please see Appendix A.

Benefit Category (for Adults)	Medi-Cal	Covered California
Acupuncture Services	Covered but limited to a maximum of two services per month. ¹⁹	This is an EHB, and no statutory limits on the number of services per month. ²⁰
Audiological Services	Covered but limited to a maximum of two services per month. ²¹ “Audiological services” means services for: the measurement, appraisal, identification and counseling related to hearing and disorders of hearing; the modification of communicative disorders resulting from hearing loss affecting speech, language and auditory behavior; and the recommendation and evaluation of hearing aids. ²²	Not an EHB.
Behavior Health Treatment for Autism Spectrum Disorder	Not covered for individuals over the age of 21. ²³	This is an EHB, and this treatment is available for individuals over the age of 21. ²⁴
Community Based Adult Services²⁵	Services for adults, including those with disabilities, to restore or maintain their capacity for self-care and to delay institutionalization. ²⁶	This program is not an EHB.
Comprehensive Perinatal Services Program	Includes, but is not limited to, health education services, nutritional counseling, home visits for preventive services, referrals to programs such as the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and the Child Health and Disability Prevention Program. Also includes resources to address food insecurity, financial hardship, housing, utilities, legal issues, and access to providers to address relational problems, stress and family discord and other psychosocial issues. ²⁷	This program is not an EHB.
Dental Services	Examinations, radiographs/photographic images, prophylaxis, fluoride treatments; amalgam and composite restorations; stainless steel, resin, and resin window crowns; anterior root canal therapy; complete dentures, denture adjustments, repairs and relines. ²⁸	Not an EHB. ²⁹

Benefit Category (for Adults)	Medi-Cal	Covered California
Eye Exam	One eye exam with refraction is covered within 24 months. A second exam is covered when a sign or symptom indicates a need for this service. ³⁰	Not an EHB.
Eyeglasses	Eyeglasses are covered if they are prescribed for the correction of refractive errors or binocular anomalies. ³¹	Not an EHB.
Hearing Aids	Covered when supplied by hearing aid dispenser with the prescription of an otolaryngologist, or attending physician when no otolaryngologist is available. \$1,510 cap per person, per fiscal year with some exceptions. ³²	Not an EHB, except for internally implanted devices, such as cochlear implants and osseointegrated hearing devices. ³³
Home Health Services	One visit in a six month period for evaluation of the patient is covered without prior authorization. A maximum of 30 visits may be authorized at any one time and shall be valid for up to 120 days. ³⁴	This is an EHB, and QHPs that are not health maintenance organizations must allow enrollees to receive at least 100 visits per year. ³⁵
Multi-Purpose Senior Services Program	Social and health care management for beneficiaries over age 65 who are certifiable for placement in a nursing facility but who wish to remain in the community. ³⁶	This program is not an EHB.
Personal Care Services Program	Assistance for elderly individuals and individuals with disabilities so they can safely remain in their homes. ³⁷	This program is not an EHB.
Skilled Nursing Facility Services	90 days/year ³⁸	100 days per benefit period. ³⁹

Some general themes emerged from comparing benefits. Compared to what Covered CA QHPs are required to cover, Medi-Cal is more comprehensive, covering, for example, additional adult dental, adult optometry, and hearing services (i.e. the provision of hearing aids). In addition, though not described in the chart, pediatric services are available to Medi-Cal eligible individuals under the age of 21, whereas Covered CA QHPs offer pediatric services only to individuals under the age of 19.⁴⁰ Medi-Cal eligible individuals under the age of 21 are also entitled to an expanded scope of medically necessary health care services through the EPSDT program.⁴¹

IV. Conclusion

While not an exhaustive list, this fact sheet identifies some important differences between minimum benefits in Medi-Cal and Covered California QHPs. Comparing benefits can be complex and first involves understanding the benefit structures of Medi-Cal and Covered CA plans. However, an individual's ability to access a particular benefit in Medi-Cal or a Covered CA plan will ultimately depend upon fulfilling any cost-sharing requirements, prior authorization requirements, and, of course, the individual's medical necessity.⁴²

APPENDIX A

Developing the chart first involved compiling a list of the minimum benefits covered by Medi-Cal and Covered CA QHPs and then identifying the differences. The chart is not a comprehensive list of differences but should give advocates an understanding of how benefits could change when enrollees switch coverage.

Medi-Cal benefits were compiled using the following sources⁴³:

- California Welfare and Institutions Code;
- California Code of Regulations;
- All County Welfare Directors' Letters;
- Department of Health Care Services Medi-Cal Managed Care Division All Plan Letters (1998-2014);
- Medi-Cal Provider Bulletins;
- Denti-Cal Bulletins;
- Medi-Cal Boilerplate Contracts;
- California State Plan Amendments (SPAs), including the California Alternative Benefit Plan SPA;
- Medicaid.gov;
- Medi-Cal Provider Manuals;
- Medi-Cal List of Contract Drugs; and
- Knox-Keene Act mandates.

Covered CA Essential Health Benefits (EHBs) were compiled using the following sources⁴⁴:

- Kaiser Small Group HMO 30 Plan as it was offered in the first quarter of 2012;
- Healthy Families Program dental benefits as offered in 2011-2012;
- BlueCross Blue Shield FEP Blue Vision Plan;
- Federal mandates related to prescription drug benefits and preventive services;
- State mandates in the Knox-Keene Act; and
- Medically necessary basic health care services as described in Section 1300.67 of Title 28 of the California Code of Regulations and Section 1345(b) of the California Health and Safety Code.

Compared to the Covered CA EHBs, Medi-Cal covered benefits included more detail. For example, many of the Covered CA EHBs were broad categories, such as “Chemical Dependency Services” or “Inpatient Psychiatric Hospitalization” whereas Medi-Cal sources included more detail on specific services within those categories.⁴⁵ Moreover, Covered CA QHPs are required to cover medically necessary “basic health care services” such as physician services, which encompasses a wide range of services without being listed specifically.⁴⁶ Due to this discrepancy in level of detail, we focused on categories where there was a comparable level of detail.

Notes

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² Enrollees can obtain a plan's Evidence of Coverage by requesting one from member services. Plans must provide this document upon the enrollee's request.

³ For more information, please see NAT'L HEALTH LAW PROGRAM, OVERVIEW OF THE MEDI-CAL PROGRAM (JULY 2008), CH. 1, available at <HTTP://HEALTHCONSUMER.ORG/MEDI-CALOVERVIEW2008CH1.PDF>

⁴ Sources consulted to compile the list of Medi-Cal benefits include:

- The California Welfare and Institutions Code;
- The California Code of Regulations;
- All County Welfare Directors Letters;
- DHCS MMCD All Plan Letters (1998-2014);
- Medi-Cal Provider Bulletins;
- Denti-Cal Bulletins;
- Medi-Cal Boilerplate Contracts;
- The Approved California Alternative Benefit Plan (for newly eligible populations. However, in California, the benefits for traditional and newly eligible populations are aligned);
- Other California State Plan Amendments;
- Medicaid.gov;
- Medi-Cal Provider Manuals;
- The Medi-Cal List of Contract Drugs; and
- Knox-Keene Act mandates (for Medi-Cal managed care plans).

⁵ See <http://www.dhcs.ca.gov/services/medi-cal/Pages/Medi-CalWaiversList.aspx>.

⁶ See CMS, EPSDT- A GUIDE FOR STATES: COVERAGE IN THE MEDICAID BENEFIT FOR CHILDREN AND ADOLESCENTS (JUNE 2014), HTTP://WWW.MEDICAID.GOV/MEDICAID-CHIP-PROGRAM-INFORMATION/By-Topics/BENEFITS/DOWNLOADS/EPSDT_COVERAGE_GUIDE.PDF; SEE ALSO NAT'L HEALTH LAW PROGRAM, OVERVIEW OF THE MEDI-CAL PROGRAM (JULY 2008), CH. 12, available at <HTTP://HEALTHCONSUMER.ORG/MEDI-CALOVERVIEW2008CH12.PDF>

⁷ The ten EHB categories outlined in the Affordable Care Act (ACA) are Ambulatory (Outpatient) Services, Emergency Services, Hospitalization, Laboratory Services, Maternity and Newborn care, Mental Health and Substance Use Disorder Services, including Behavioral Health Treatment, Prescription Drugs, Rehabilitative and Habilitative Services and Devices, Preventive and Wellness Services and Chronic Disease Management, and Pediatric Services, including Oral and Vision care. 42 U.S.C. § 18022(b).

⁸ The entire benchmark consists of:

- Kaiser Small Group HMO 30 plan covered benefits (as this plan was offered during the first quarter of 2012)
- The Healthy Families Program for pediatric dental services, as it was available to subscribers in 2011-2012, including the provision of medically necessary orthodontic care provided pursuant to the federal Children's Health Insurance Program Reauthorization Act of 2009;
- The BlueCross Blue Shield (BCBS) FEP Blue Vision plan for pediatric vision services since it had the largest national enrollment as of the first quarter of 2012;
- Preventive services pursuant to 45 C.F.R. § 147.130;
- Prescription drug benefits pursuant to 45 C.F.R. § 156.122; and
- State-mandated benefits (See CAL. INS. CODE § 10112.27(A)(2)(A)), CAL. INS. CODE §§ 10112.27(A)(4)-10112.27(A)(5); CAL. HEALTH & SAFETY CODE §§ 1367.005(A)(4)-

1367.005(A)(5). CAL. HEALTH & SAFETY CODE § 1345(B); CAL. CODE REGS. TIT. 28, § 1300.67.)

- The definition of habilitative services in CAL. INS. CODE § 10112.27(Q)(1).

⁹ See, e.g., DAVID MACHELDT & JANE PERKINS, NAT'L HEALTH LAW PROGRAM, MEDICAID PREMIUMS AND COST SHARING (Mar. 26 2014), available at <http://www.healthlaw.org/publications/browse-all-publications/Medicaid-Premiums-Cost-Sharing#>

¹⁰ Since these plans are regulated by different entities, the interpretation of “basic health care service,” for example, might differ.

¹¹ See 45 C.F.R. § 800.

¹² See <http://www.dhcs.ca.gov/services/medi-cal/Pages/Medi-CalWaiversList.aspx>.

¹³ See CMS, EPSDT- A GUIDE FOR STATES: COVERAGE IN THE MEDICAID BENEFIT FOR CHILDREN AND ADOLESCENTS (JUNE 2014), HTTP://WWW.MEDICAID.GOV/MEDICAID-CHIP-PROGRAM-INFORMATION/By%20TOPICS/BENEFITS/DOWNLOADS/EPSDT_COVERAGE_GUIDE.PDF

¹⁴ Available online at <http://www.medi-cal.ca.gov> (go to “References”; then “more”; then “Contract Drug List.”) For beneficiaries who are also eligible for Medicare, most prescription drugs will be covered through the Medicare prescription drug program rather than through Medi-Cal.

¹⁵ CAL. CODE REGS. TIT. 28, § 1300.67.24.

¹⁶ See 45 C.F.R. § 156.122 (2013); See also CENTER FOR CONSUMER INFORMATION & INSURANCE OVERSIGHT, SUMMARY OF EHB BENEFITS, LIMITS, AND PRESCRIPTION DRUG COVERAGE, available at <HTTP://WWW.CMS.GOV/CCIO/RESOURCES/DATA-RESOURCES/DOWNLOADS/CALIFORNIA-EHB-BENCHMARK-PLAN.PDF> AT PGS. 8-12.

¹⁷ See 45 C.F.R. § 156.122 (2013).

¹⁸ CAL. CODE REGS. TIT. 28, § 1300.67.24.

¹⁹ CAL. CODE REGS. TIT. 22, § 51308.5.

²⁰ CAL. CODE REGS. TIT. 28, § 1300.67.005(D)(1) : see also CAL. HEALTH & SAFETY CODE § 1373.10 (NON-HMO'S).

²¹ CAL. CODE REGS. TIT. 22, § 51309.

²² CAL. CODE REGS. TIT. 22, § 51098.

²³ Medi-Cal All Plan Letter 14-011, available at

<http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2014/APL14-011.pdf>.

²⁴ CAL. HEALTH & SAFETY CODE § 1374.73.

²⁵ Services include, but are not limited to: mental health services, therapies, nutritional counseling, transportation, and professional nursing services.

²⁶ See CAL. WELF. & INST. CODE §§12300-12330; See also waivers available at <http://www.dhcs.ca.gov/services/medi-cal/Pages/MediCalWaivers.aspx>. This service is a waiver benefit and other eligibility requirements may apply.

²⁷ See CAL. CODE REGS. TIT. 22, § 51179; see also SARA ROSENBAUM, CARLA HURT, MARK DORLEY, SARA ROTHENBERG & NANCY LOPEZ, ACCESS TO COMPREHENSIVE PERINATAL SERVICES AMONG PREGNANT WOMEN ENROLLED IN BOTH MEDI-CAL AND COVERED CALIFORNIA: ALIGNING AND INTEGRATING CARE (Oct. 31, 2014), available at http://publichealth.gwu.edu/pdf/hp/perinatal_services_california.pdf.

²⁸ CAL. WELF. & INST. CODE § 14131.10(B)(2)(C).

²⁹ While pediatric dental services are embedded into QHPs, dental services for adults are not. Covered California will offer standalone family dental plans in 2015, but enrollees will have to pay extra for these dental plans. For more information on plans and rates, see <https://www.coveredca.com/PDFs/CC-family-dental-plans-2015.pdf>.

³⁰ CAL. CODE REGS. TIT. 22, § 51306.

³¹ CAL. CODE REGS. TIT. 22, § 51317(a)(4).

³² CAL. CODE REGS. TIT. 22, § 51319; see also <http://www.dhcs.ca.gov/services/Pages/HearingAidCapFAQ.aspx> (certain beneficiaries who fall under exemptions are not subject to the hearing aid cap.)

³³ Kaiser Small Group HMO 30 Plan Explanation of Benefits (federal health product identification number 40513CA035), as this plan was offered during the first quarter of 2012, at page 32.

³⁴ CAL. CODE REGS. TIT. 22, §§ 51337(b), 51337(e).

³⁵ CAL. HEALTH & SAFETY CODE § 1374.10(c); CAL. CODE REGS. TIT. 22, § 1300.67(e).

³⁶ See Cal. Welf. & Inst. Code §§12300-12330; See also waivers available at <http://www.dhcs.ca.gov/services/medi-cal/Pages/MediCalWaivers.aspx>. This is a waiver benefit and other eligibility requirements may apply.

³⁷ See Cal. Welf. & Inst. Code §§12300-12330; See also waivers available at <http://www.dhcs.ca.gov/services/medi-cal/Pages/MediCalWaivers.aspx>. This is a waiver benefit and other eligibility requirements may apply.

³⁸ California Alternative Benefit Plan, available at <http://www.medicaid.gov/State-resource-center/Medicaid-State-Plan-Amendments/Downloads/CA/CA-13-035.pdf>, pg. 19; See also California Medicaid State Plan § 1905(a).

³⁹ CAL. CODE REGS. TIT. 28, §1300.67.005(D)(10)(A).

⁴⁰ See Department of Health and Human Services, Patient Protection and Affordable Care Act; Standards Related to Essential Health Benefits, Actuarial Value, and Accreditation; Final Rule, 78 Fed. Reg. 37, 12842 (Feb. 25, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-02-25/pdf/2013-04084.pdf>; see also CAL. CODE REGS. TIT. 22, § 51184.

⁴¹ See CMS, EPSDT- A GUIDE FOR STATES: COVERAGE IN THE MEDICAID BENEFIT FOR CHILDREN AND ADOLESCENTS (JUNE 2014), HTTP://WWW.MEDICAID.GOV/MEDICAID-CHIP-PROGRAM-INFORMATION/BY-TOPICS/BENEFITS/DOWNLOADS/EPSDT_COVERAGE_GUIDE.PDF.

⁴² For other considerations affecting access, such as network adequacy, please see ABBI COURSOLLE, NAT'L HEALTH LAW PROG., MANAGED CARE IN CALIFORNIA SERIES #1: NETWORK ADEQUACY LAWS IN MEDI-CAL MANAGED CARE PLANS (AUG. 2014), available at <HTTP://WWW.HEALTHLAW.ORG/ISSUES/MEDICAID/MANAGED-CARE/NETWORK-ADEQUACY-LAWS-IN-MEDI-CAL-MANAGED-CARE-PLANS#>; see also ABBI COURSOLLE, NAT'L HEALTH LAW PROG., MANAGED CARE IN CALIFORNIA SERIES #2: NETWORK ADEQUACY LAWS IN COVERED CALIFORNIA PLANS (AUG. 2014), available at <HTTP://WWW.HEALTHLAW.ORG/ISSUES/CALIFORNIA/NETWORK-ADEQUACY-LAWS-IN-COVERED-CALIFORNIA-PLANS-ISSUE-NO-2#>

⁴³ See also Sources consulted to compile list of Medi-Cal benefits, *supra* note 4.

⁴⁴ See also the entire benchmark, *supra* note 8.

⁴⁵ See, e.g., CAL. CODE REGS. TIT. 28, § 1300.67.005(D)(3).

⁴⁶ See CAL CODE REGS. TIT. 28, §1300.67; see also CAL. HEALTH & SAFETY CODE § 1345(b).