

The Importance of the Essential Health Benefits in the Private Market

The Essential Health Benefits (EHB) are a critical element of the Affordable Care Act (ACA). The [EHBs](#) are ten categories of health care services that Marketplace health plans and certain other private market plans must cover. The EHBs were introduced by the ACA to ensure health plans cover a core set of basic services (see full list below).

The EHB requirement has closed health care coverage gaps that for years had left individuals underinsured. Prior to the ACA, federal law did not require minimum coverage standards. As a result, consumers often did not have health coverage for services that are covered now as EHBs, such as maternity care or mental health and substance use disorder services. Preventive health services are also among the EHBs. Preventive care is critical for an effective health care system, both in terms of health status and cost control. Without preventive services, conditions may be more advanced when detected, and lead to unnecessary hospitalizations, costly management of acute and chronic conditions, and other cost-drivers.

While the EHBs are a federal requirement, states have significant flexibility in determining the items and services that health plans in the state must cover as EHBs. Many advocates have pushed for more uniform standards across states. But instead of supporting a strong national standard, in the past, some members of Congress have put forward proposals that would eliminate the EHB requirement.

If the EHB standard is eliminated or reduced, health care coverage will likely be insufficient and, once again, leave many consumers facing higher costs and less access to basic health care. Non-coverage of necessary services will also drive up medical debt and health-related bankruptcies. In addition, the Congressional Budget Office recently [indicated](#) that, as it considers alternatives or amendments to the ACA, it will *not* consider individuals with a limited scope of health insurance coverage as having coverage. Consumers cannot afford, health-wise or financially, to have fewer guarantees of basic health care services.

ACA's Essential Health Benefits Categories

- ambulatory patient services
- emergency services
- hospitalization
- maternity and newborn care
- mental health and substance use disorder services, including behavioral health treatment
- prescription drugs
- rehabilitative and habilitative services and devices
- laboratory services
- preventive and wellness services (including chronic disease management)
- pediatric services, including oral and vision care

