

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



**Center for Medicaid and CHIP Services**

---

*CMCS Informational Bulletin*

**DATE:** December 19, 2011

**FROM:** Cindy Mann, Director  
Center for Medicaid and CHIP Services (CMCS)

**SUBJECT: Essential Health Benefits**

On Friday, the Department of Health and Human Services released a bulletin to provide guidance on how HHS intends to define in future rulemaking essential health benefits for non-grandfathered plans in the individual and small group markets beginning in 2014. This bulletin has significant relevance to Medicaid.

The Affordable Care Act ensures that health insurance plans offered in the individual and small group markets, both inside and outside of the Affordable Insurance Exchanges, offer a comprehensive package of items and services, known as “essential health benefits.” Under the approach described in the bulletin, States would have the flexibility to utilize a reference plan based on employer-sponsored coverage in the marketplace today, supplemented as necessary to ensure that plans cover each of the 10 statutory categories of essential health benefits. In developing this intended approach, HHS sought to balance comprehensiveness, affordability, and State flexibility and to reflect public input received to date.

CMS will be issuing future guidance on essential health benefit implementation in the Medicaid program.

Public input on the issues covered by the bulletin is encouraged, including Medicaid implications. Comments are due by January 31, 2012 and can be sent to:  
[EssentialHealthBenefits@cms.hhs.gov](mailto:EssentialHealthBenefits@cms.hhs.gov).

For the essential health benefits bulletin, visit:  
[http://cciio.cms.gov/resources/files/Files2/12162011/essential\\_health\\_benefits\\_bulletin.pdf](http://cciio.cms.gov/resources/files/Files2/12162011/essential_health_benefits_bulletin.pdf)

For a fact sheet on the essential health benefits bulletin, visit:  
<http://www.healthcare.gov/news/factsheets/2011/12/essential-health-benefits12162011a.html>

For a summary of individual market coverage as it relates to essential health benefits, visit: <http://aspe.hhs.gov/health/reports/2011/IndividualMarket/ib.shtml>

For information comparing benefits in small group products and state and Federal employee plans, visit: <http://aspe.hhs.gov/health/reports/2011/MarketComparison/rb.shtml>