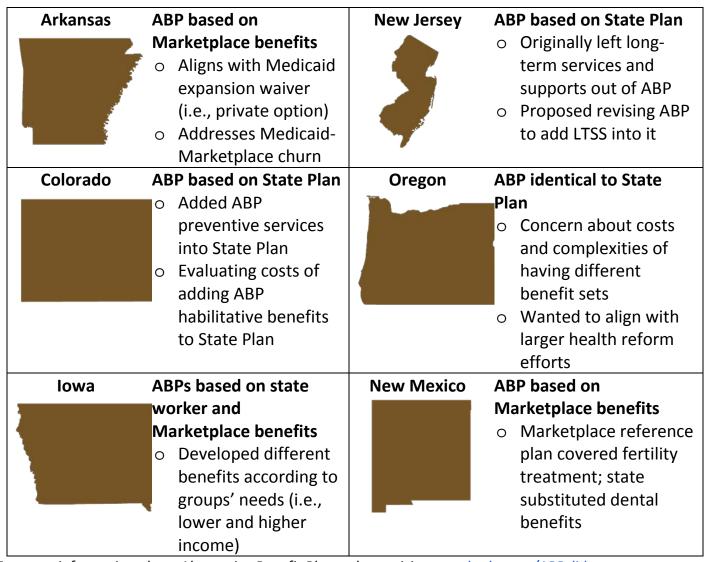
State examples of Medicaid expansion Alternative Benefit Plan (ABP) designs

<u>Alternative Benefit Plan (ABP):</u> States expanding their Medicaid programs must develop an ABP for their expansion population (or multiple ABPs for separate sub-populations). ABPs must meet certain requirements that are distinct from traditional Medicaid State Plan benefits, such as covering the 10 Essential Health Benefits and mental health and substance use parity.



For more information about Alternative Benefit Plans, please visit www.shadac.org/ABPslides.



State choices in Alternative Benefit Plan (ABP) design

ABP based on State Plan, but not identical	ABP identical to State Plan	ABP based on other plan (e.g., Marketplace benefits)
Alaska	Arizona	Arkansas
California	Connecticut	Indiana
Colorado	District of Columbia	Iowa
Delaware	Hawaii	New Hampshire
Maryland	Illinois	New Mexico
Massachusetts (age 21+)	Kentucky	North Dakota
Michigan	Massachusetts (under age 21)	Pennsylvania (private option)
New Jersey	Minnesota	
Ohio	Nevada	
Pennsylvania (high risk)	New York	
Washington	Oregon	
West Virginia	Rhode Island	
	Vermont	

Glossary

<u>Alternative Benefit Plan (ABP):</u> States expanding their Medicaid programs must develop an ABP for their expansion population (or multiple ABPs for separate sub-populations). ABPs must meet certain requirements that are distinct from traditional Medicaid State Plan benefits, such as covering the 10 Essential Health Benefits and mental health and substance use parity.

<u>Reference plan:</u> States must select an existing "reference plan" to serve as the foundation of their ABP benefits. Regulations designate four options: (1) the standard federal employee benefits package, (2) a state employee health plan, (3) the state's largest commercial, non-Medicaid HMO, or (4) Secretary-approved coverage. Under Secretary-approved coverage, states can use any reference plan that the Secretary of Health and Human Services determines meets the needs of the target population.

<u>Essential Health Benefits (EHB):</u> The ACA requires that ABPs cover the 10 EHBs — the same EHBs required of commercial coverage: (1) ambulatory services, (2) emergency services, (3) hospitalization, (4) maternity and newborn care, (5) mental health and substance use disorder services, (6) prescription drugs, (7) rehabilitative and habilitative services and devices, (8) laboratory services, (9) preventive and wellness services, and (10) pediatric services.

<u>Substitution of benefits:</u> ABP regulations allow states to substitute benefits, as long as the benefits are (1) within the same EHB category and (2) actuarially equivalent. For example, if the ABP reference plan included fertility benefits, the state could substitute those with dental benefits as long as the benefits were of the same actuarial value and both fit within the same EHB category (e.g., ambulatory services).

