

California's Proposed 2027 EHB Benchmark Plan

HEALTH CARE NUTS AND BOLTS with



Current as of October 24, 2025



What's happening?

In **May 2025**, California's DMHC submitted a proposal to **CMS** to update the California **EHB benchmark plan**. The anticipated start date of the new plan is **January 1, 2027**, pending federal approval.

Rule: Generosity Limit

California's updated EHB benchmark plan cannot have benefits that are more rich than the most generous large employer plan within a set of comparison plans.



2.23%

Cost of total additional benefits must fall below this %.

How are costs estimated?

Differences in cost of benefits between current benchmark plan and most generous plan.



Newly Added Benefits in Proposed 2027 California EHB Benchmark Plan



DME

- Removes "home-use only" limitation
- Additional DME includes:
 - Wheelchairs (manual & powered)
 - Walkers and scooters
 - CPAP machines
 - Portable oxygen
 - Hospital beds
 - Augmentative communication devices



Fertility Services

- Infertility diagnosis
- Artificial insemination
- Surrogacy-related medical services
- IVF, including:
 - 3 gamete retrievals attempts (sperm or eggs)
 - Embryo creation & transfers
 - Donor sperm/eggs
 - Cryopreservation and storage



Hearing Aids & Exams

- One hearing aid per ear every three years
- Annual hearing exams
- No age limit



For more information regarding EHBs, see CHBRP's [Nuts and Bolts](#) and [Issue Briefs](#).

CHBRP: California Health Benefits Review Program
CMS: Centers for Medicare & Medicaid Services
CPAP: Continuous positive airway pressure
DME: Durable medical equipment

DMHC: Department of Managed Health Care
EHB: Essential health benefit
IVF: in vitro fertilization

Newly Added Benefits in Proposed 2027 California EHB Benchmark



Looking for more info?

- CHBRP's [Issue Briefs](#)
 - What are EHBs?
 - Exceeding EHBs and Defrayal
- [Nuts and Bolts](#)
 - EHBs
 - Comparison of State EHBs
- CHBRP [analysis](#) of estimated premium impacts
- [DMHC](#)

California's 2027 Essential Health Benefits (EHB) Benchmark Plan

HEALTH CARE NUTS AND BOLTS with **CHBRP**

Current as of August 7, 2025

What's happening?

In **May 2025**, California DMHC sent a proposal to **CMS** to update its **EHB benchmark plan**, the first change since 2017. If federally approved, the new plan starts **January 1, 2027**.

What Are EHBs?

- Federal law (ACA) requires **individual and small group** health plans to **cover 10 categories** of services (EHBs).
- Each state picks a **benchmark plan** to define exactly what's included.
- California's current benchmark is the **Kaiser Small Group HMO 30**.

California's 2027 EHB benchmark plan adds specific services **within the existing 10 federal categories**, it does **not** create new categories.



For more Information regarding EHBs, navigate to "Nuts and Bolts" or "Information Briefs" at chbrp.org.

Newly Added Benefits In Proposed 2027 California EHB Benchmark



Durable Medical Equipment (DME)

Expanded coverage now includes:

- Wheelchairs (manual & powered)
- Walkers and scooters
- CPAP (Continuous Positive Airway Pressure) machines
- Portable oxygen
- Hospital beds
- Augmentative communication devices
-  Removes "home-use only" limitation



Fertility Services

Newly covered services:

- Infertility diagnosis
- Artificial insemination (in vivo)
- In vitro fertilization (IVF), including:
 - 3 gamete retrievals
 - Embryo creation & transfers
 - Donor sperm/eggs
 - Cryopreservation
 - Surrogacy-related medical services



Hearing Aids & Exams

- 1 hearing aid per ear every 3 years
- Annual hearing exams
- No age limit

California evaluated adding other services (i.e. **chiropractic care, neuromodulators, and medical wigs**) but these were **NOT** included in the final 2027 EHB benchmark plan submitted.

How much will it cost?

Estimated premium impact on 2027 Silver plans:

Benefit	Estimated PMPM *	Estimated Increase*
Hearing Aids	\$1.52	0.21%
Infertility	\$5.36	0.76%
DME - General	\$1.64	0.23%
DME - Augmented communication devices	\$0.03	0.00%
Total	\$8.55	1.2%



What's the Typicality Test?

To qualify for federal approval, California's updated EHB plan must fall between:

- The least generous and
- The most generous large employer plans in the state

Source: Milliman. *Premium Impact of California Essential Health Benefits Expansion Accelerated Analysis*. California Health Benefits Review Program (CHBRP), 2025. Available at: <https://chbrp.org/analysis/completed-analyses>.
 These estimates reflect added plan-paid costs and remain with Federal "Typicality Test" limits

Timeline to Implementation



*DMHC: Department of Managed Healthcare
 PMPM: Per Member Per Month
 *CMS: Centers for Medicare and Medicaid Services
 *ACA: Affordable Care Act
 *DME: Durable Medical Equipment

Impact of Added Benefits

Benefit	Allowed Cost Impacts
Hearing Aids	0.21%
Expanded DME Coverage	1.03%
Infertility Diagnosis	0.03%
Artificial Insemination in Vivo	0.03%
IVF	0.87%
Total	2.18%

Source: [Wakely, California Benchmark Plan Benefit Valuation Report, 2025](#).

Timeline to Implementation

