

# Arkansas Insurance Department

Mike Beebe  
Governor



Jay Bradford  
Commissioner

BULLETIN NO.: 12-2013

TO: ALL LICENSED INSURERS, HEALTH MAINTENANCE ORGANIZATIONS (HMOs), FRATERNAL BENEFIT SOCIETIES, FARMERS' MUTUAL AID ASSOCIATIONS OR COMPANIES, HOSPITAL MEDICAL SERVICE CORPORATIONS, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, PRODUCER AND COMPANY TRADE ASSOCIATIONS, AND OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: TREATMENT OF PEDIATRIC DENTAL COVERAGE PROVIDED THROUGH STAND ALONE DENTAL PLANS

DATE: May 28, 2013

This bulletin clarifies the Arkansas Insurance Department's (AID) policy on required coverage of pediatric dental services for insurers offering health insurance plans outside of the Arkansas Federally Facilitated Partnership Marketplace (FFPM) that will be established in Arkansas. Further, to ensure that the state has an adequate, competitive, and healthy insurance marketplace, AID requires all health insurers authorized to write comprehensive individual and small employer group health insurance to provide a notice to policyholders indicating whether the policy being offered includes coverage of pediatric dental services.

Section 2707(a) of the Patient Protection and Affordable Care Act (ACA) requires that a "health insurance issuer that offers health insurance coverage in the individual or small group market shall ensure that such coverage includes the essential health benefits package (EHB) required under section 1302(a) of the Patient Protection and Affordable Care Act." Section 1302(b) includes as part of the EHB "pediatric services, including oral and vision care." Patient Protection and Affordable Care Act §1302(b)(1)(J).

Section 1301(a)(1) of the ACA requires qualified health plans inside and outside of an Exchange to include the EHB. Section 1302(b)(4)(F) of the ACA and 45 C.F.R. §155.1065(d) state, however, that health insurance plans offered on a Marketplace will not fail to be certified as a qualified health plan solely because the plan does not offer coverage of pediatric dental services, if a certified stand-alone dental plan covering these services is available in the Marketplace.

The U.S. Department of Health and Human Services (HHS) provided recent guidance regarding coverage of pediatric dental services in the preamble of its final rule "Patient Protection and Affordable Care Act, Standards Related to Essential Health Benefits, Actuarial Value and Accreditation," which states:

Plans outside of the Exchange may offer EHB that exclude pediatric dental benefits if they are 'reasonably assured' that such coverage is sold only to individuals who purchase Exchange certified stand-alone dental plans.

As a result of this guidance, an inconsistency between plans operating inside the Arkansas FFPM as compared to health insurance plans operating outside the Arkansas FFPM has arisen. Although all health insurance plans may exclude coverage of pediatric dental service if a certified stand-alone dental plan is available in Arkansas, health insurers inside the FFPM are not subject to the additional requirement of 'assuring' individuals and small employers purchase stand-alone dental coverage.

AID is concerned that this inconsistent treatment may result in consumer harm, create confusion within Arkansas's competitive health insurance market, and create an unfair competitive advantage for health insurance plans operating inside of the FFPM. Specifically, AID is concerned that consumer may be harmed by purchasing a product they thought contained all EHBs.

Therefore, to ensure that consumer choice is not adversely impacted for those purchasing health insurance outside of the FFPM, and to ensure a competitive marketplace for insurers offering health insurance policies inside and outside the FFPM, all insurers offering comprehensive individual or small group health insurance plans in Arkansas must disclose, prior to the sale of the policy, whether the plan covers pediatric dental benefits.

The disclosure shall be provided to the insured at the time of solicitation. Providing this notice with all health insurance policies sold inside the FFPM or in the outside market will provide reasonable assurance for health insurers that consumer are obtaining the coverage they need and want. Insurers failing to comply with this notice provision may be subject to administrative action pursuant to Arkansas Code §23-66-205. Suggested language for the disclosure is provided below:

This policy does not include pediatric dental services as required under the Federal Patient Protection and Affordable Care Act. This coverage is available in the insurance market and can be purchased as a stand-alone product. Please contact your insurance carrier, agent, or the Federally Facilitated Exchange if you wish to purchase pediatric dental coverage or a stand-alone dental services product.

This bulletin applies to all insurers offering comprehensive individual and small group health insurance plans beginning January 1, 2014. If you have any questions or comments, please call the Health Benefits Exchange Partnership Division at 501-683-3483, or e-mail at [insurance.exchange@arkansas.gov](mailto:insurance.exchange@arkansas.gov).



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INSURANCE DEPARTMENT COMMISSSIONER

5-31-13  
DATE