



October 31, 2011

Dr. Donald Berwick, Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
*Attention:* CMS-9975-P  
P.O. Box 8010  
Baltimore, MD 21244-1850

RE: Patient Protection and Affordable Care Act; Standards Related to Reinsurance, Risk Corridors and Risk Adjustment [HHS: CMS-9975-P]

Dear Dr. Berwick,

The National Association of Dental Plans (NADP) is writing in response to the notice of proposed rulemaking; "Patient Protection and Affordable Care Act; Standards Related to Reinsurance, Risk Corridors and Risk Adjustment" as posted in the Federal Register, Vol. 76 /No.136 on Friday, July 15, 2011.

NADP is the largest non-profit trade association focused exclusively on the dental benefits industry, i.e. dental PPOs, dental HMOs, discount dental plans and dental indemnity products. NADP's members provide dental benefits to almost 90 percent of the 166 million Americans with dental benefits. Our members include the entire spectrum of dental carriers: companies that provide both medical and dental coverage, companies that provide only dental coverage, major national carriers, regional and single state companies, as well as companies organized as non-profit plans.

Limited-scope, stand-alone dental coverage is a HIPAA-excepted benefit and thus not subject to insurance market reform rules that apply to risk allocation provisions. The Patient Protection and Affordable Care Act (ACA) criteria to become a qualified health plan (ACA Section 1301) does not extend to excepted benefits such as dental and therefore, dental plans are not required to provide comprehensive health insurance coverage (PHSA 2707). This has also been reiterated in the background of the U.S. Department of Health and Human Services (HHS) rules on "Grandfathered Health Plans" and the HHS notice of proposed rules of Exchanges, both of which reference the exclusion of excepted benefits.

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Our comments propose to clarify that the ACA sections pertaining to reinsurance (1341), risk corridors (1342) and risk adjustment (1343) are intended to apply only to qualified health plans.

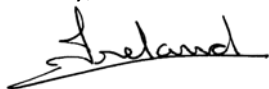
- Section 1341(b)(3)(B)(i) on transitional reinsurance states that the “contribution amount for each issuer proportionally reflects each issuer’s fully insured commercial book of business for all major medical products...” Thus, the Congressional intent is not to extend this program to issuers of standalone dental products.
- Further, section 1342(a) on risk corridors states that the program only applies to issuers of qualified health plans.
- And section 1343(b) on risk adjustment states that risk adjustment criteria and methods should be based on criteria from section 1321 which is limited to qualified health plans.

The Senate Finance Committee’s “America’s Healthy Future Act of 2009” report states the risk adjustment provision requires each state to adopt a risk adjustment model to apply risk adjustment to qualified health plans, whether or not purchased through an Exchange (America’s Healthy Future Act of 2009 Report 111-89, 28). This shows again that the Congressional intent for these programs is focused on qualified health plans.

NADP requests that the Department explicitly clarify in final rules that these programs are only applicable to qualified health plans and do not apply to limited-scope, standalone dental coverage

NADP greatly appreciates the opportunity to share our views on the dental benefits industry. Questions regarding our comments should be directed to Kris Hathaway, Director of Government Relations at [khathaway@nadp.org](mailto:khathaway@nadp.org) or 972 458-6998 x111.

Sincerely,



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Executive Director  
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