



October 26, 2012

Mr. Howard "Rocky" King  
Executive Director, Cover Oregon  
3414 Cherry Ave. N.E. Suite 190  
Salem, OR 97303  
Sent via email

**Re: Stand Alone Dental in the Oregon Exchange**

Dear Mr. King,

The National Association of Dental Plans (NADP) is writing to provide clarification on how dental benefits are included in the Affordable Care Act (ACA) and Exchanges. We understand that Cover Oregon has made the decision to embed the pediatric dental benefits within a qualified health plan (QHP). This decision results in stand-alone dental carriers not having the opportunity to offer the pediatric dental benefits to consumers in the Exchange. However, as detailed below, federal statute clearly mandates that stand-alone dental products must be allowed to be issued in a state Exchange.

Children's oral health coverage was expanded in the ACA through the inclusion of pediatric oral health services in the Essential Health Benefits (EHB) package. The EHB package is required in all health policies offered in the small group and individual market. The ACA specifically states, "Each Exchange within a State shall allow an issuer of a plan that only provides limited scope dental benefits meeting the requirements... to offer the plan through the Exchange (whether separately or in conjunction with a qualified health plan) if the plan provides pediatric dental benefits meeting the requirements..."<sup>1</sup>

Further, the U.S. Department of Health and Human Services (HHS) responded to questions regarding this issue in their March 2012 Final Exchange Rule, writing, "We interpret the phrase regarding the offering of stand-alone dental plans "either separately or in conjunction with a QHP" to mean that the Exchange must allow stand-alone dental plans to be offered either independently from a QHP or as a subcontractor of a QHP issuer, **but cannot limit participation of stand-alone dental products in the Exchange to only one of these options.**"<sup>2</sup>

A Qualified Health Plan (QHP) does not need to include the pediatric dental benefit if the coverage is offered through a stand-alone dental plan inside an Exchange.<sup>3</sup> The inclusion of stand-

<sup>1</sup> Affordable Care Act Section 1311(d)(2)(B)(ii)

<sup>2</sup> CMS-9989-F: Establishment of Exchanges and Qualified Health Plans Final Rule/Interim Final Rule, March 27, 2012, 381.

<sup>3</sup> Affordable Care Act Section 1302 (b)(4)(F)

National Association of Dental Plans

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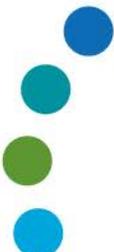
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alone dental plans within the ACA was afforded because policymakers did not want to disrupt consumers' current benefits as well as an effort to parallel the current large group commercial market. In the private market (not including public programs), an estimated 99 percent of Americans with dental coverage today have a dental benefit policy separate from their medical policy. Thus, the ACA allows Exchange customers to purchase dental policies separately from their medical plan just as it is commonly done in the commercial market today.

Dental companies should be allowed to offer the pediatric dental policy as a stand-alone product in the Exchange so that Cover Oregon consumers are able to choose from a myriad of pediatric dental options. In a recent survey of our member companies, we found that 12 companies have plans to offer the pediatric benefit in Oregon's Exchange. We strongly urge you to reconsider your decision to only allow the pediatric dental benefit to be embedded with QHPs in light of the clear federal law and regulations that allow stand-alone dental plans to offer the pediatric dental benefit, as well as the fact that it will ensure a vibrant, competitive marketplace on the Exchange.

NADP greatly appreciates your time and attention to our concerns, and we look forward to future discussions on these critical issues to the residents of Oregon. Please contact me with any questions regarding these comments at [khathaway@nadp.org](mailto:khathaway@nadp.org) or 972 458-6998x111. Again, thank you for your consideration.

Sincerely,



Kris Hathaway  
Director of Government Relations  
National Association of Dental Plans  
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#### **NADP DESCRIPTION**

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 over 90 percent of the 176 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.

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