

March 17, 2015

The Honorable Orrin Hatch  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Fred Upton  
2125 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Hatch and Chairman Upton:

As organizations that share the vision of improving oral health for children and families, we applaud your dedication to the health of America's children through your discussion draft to extend funding for the State Children's Health Insurance Program. An extension of SCHIP, as it currently stands, will ensure that millions of children continue to receive the comprehensive health and dental coverage necessary to allow them to be healthy and ready to play, learn, and grow.

In the days and weeks following the tragic and preventable death of Deamonte Driver from an abscessed tooth, policymakers in the House and Senate came together to ensure that the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) guaranteed CHIP enrolled children access to comprehensive and affordable dental coverage. This coverage has provided millions of families with access to care to prevent and treat dental disease. However, that is in jeopardy if CHIP eligibility levels and benefits are not maintained for currently enrolled families.

#### **Comparability of CHIP and Marketplace Pediatric Dental Coverage**

Children that would transition into the new health insurance marketplaces if CHIP were to end will not automatically be enrolled in comprehensive dental coverage. Additionally, families that select either a medical plan that includes pediatric dental coverage or a medical plan and a separate dental plan will be exposed to significantly higher premiums and out-of-pocket costs compared to CHIP. While families will be offered dental coverage via the marketplaces, most will not have the appropriate subsidy to help them pay for that coverage.

Although the ACA establishes pediatric dental coverage as an essential health benefit, in most marketplaces, medical plans are not required to include dental benefits and families are not required to purchase a separate dental plan for their children. Only about a third (34.4%) of all health plans in the new health insurance marketplaces include children's dental coverage but that varies significantly from state to state.<sup>1</sup>

Affordability remains the central sticking point for pediatric dental coverage. The current structure of CHIP limits premiums and cost-sharing for children's medical and dental coverage to 5% of family income. However, on the marketplace a family of four at 250% of the Federal Poverty Level (FPL) could be expected to pay more than 8% of their family income in health insurance premiums alone. In addition to significantly higher premiums, average cost-sharing in marketplace coverage is 7 to 15 times higher in

comparison to CHIP, according to the non-partisan Medicaid and CHIP Payment and Access Commission (MACPAC).<sup>ii</sup>

### **Maintaining CHIP Benefits and Eligibility**

CHIP currently provides states with the flexibility to meet the needs of their populations through the current structure of financial eligibility. While eligibility levels vary from state to state, current policy allows states to address the variability in the cost of living across the nation. Eliminating that state flexibility and undermining the stability of CHIP by altering the federal limit income eligibility or reducing federal funds for the program hinders states' ability to tailor programs to the needs of their populations and would result in fewer children accessing affordable dental care.

Similarly, the Maintenance of Effort (MOE) requirements established by the Affordable Care Act (ACA) provide stability in coverage during this transitional period in health coverage for working families. We remain concerned that eliminating the MOE would result in states removing children from coverage before viable alternatives are established. In addition, while crowd out issues were originally a concern during the creation of CHIP, provisions such as waiting periods are no longer relevant and more harmful in this post-ACA era.

### **CHIP Extension**

CHIP works for families and we applaud your efforts to maintain the program for working families. Therefore, we join the majority of governors in urging you to extend funding for CHIP for at least 4 years in a way that leaves no family worse off than they are today. As MACPAC has recommended, adequate time is needed to address the differences between CHIP and marketplace coverage.

We support your effort to extend CHIP and look forward to working with you to ensure the continuation of meaningful dental coverage for children. We urge you to move quickly to extend CHIP for at least 4 years.

Sincerely,

American Academy of Pediatric Dentistry  
American Dental Association  
American Dental Hygienists' Association  
Children Now  
Children's Dental Health Project  
Children's Health Alliance of Wisconsin  
Delta Dental Plans Association  
Dental Trade Alliance  
DentaQuest  
Hispanic Dental Association  
Maryland Dental Action Coalition

Medicaid-CHIP State Dental Association  
Michigan Oral Health Coalition  
Missouri Coalition for Oral Health  
National Association of Dental Plans  
Oral Health America  
Oral Health Kansas, Inc.  
The Children's Partnership  
Virginia Oral Health Coalition  
Wisconsin Oral Health Coalition

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<sup>i</sup> ADA Health Policy Institute. More dental benefits options in 2015 health insurance marketplaces. February 2015.

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<sup>ii</sup> Medicaid and CHIP Payment and Access Commission. “Affordability of Exchange Coverage for Children Now Covered by CHIP.” 22 January 2015.