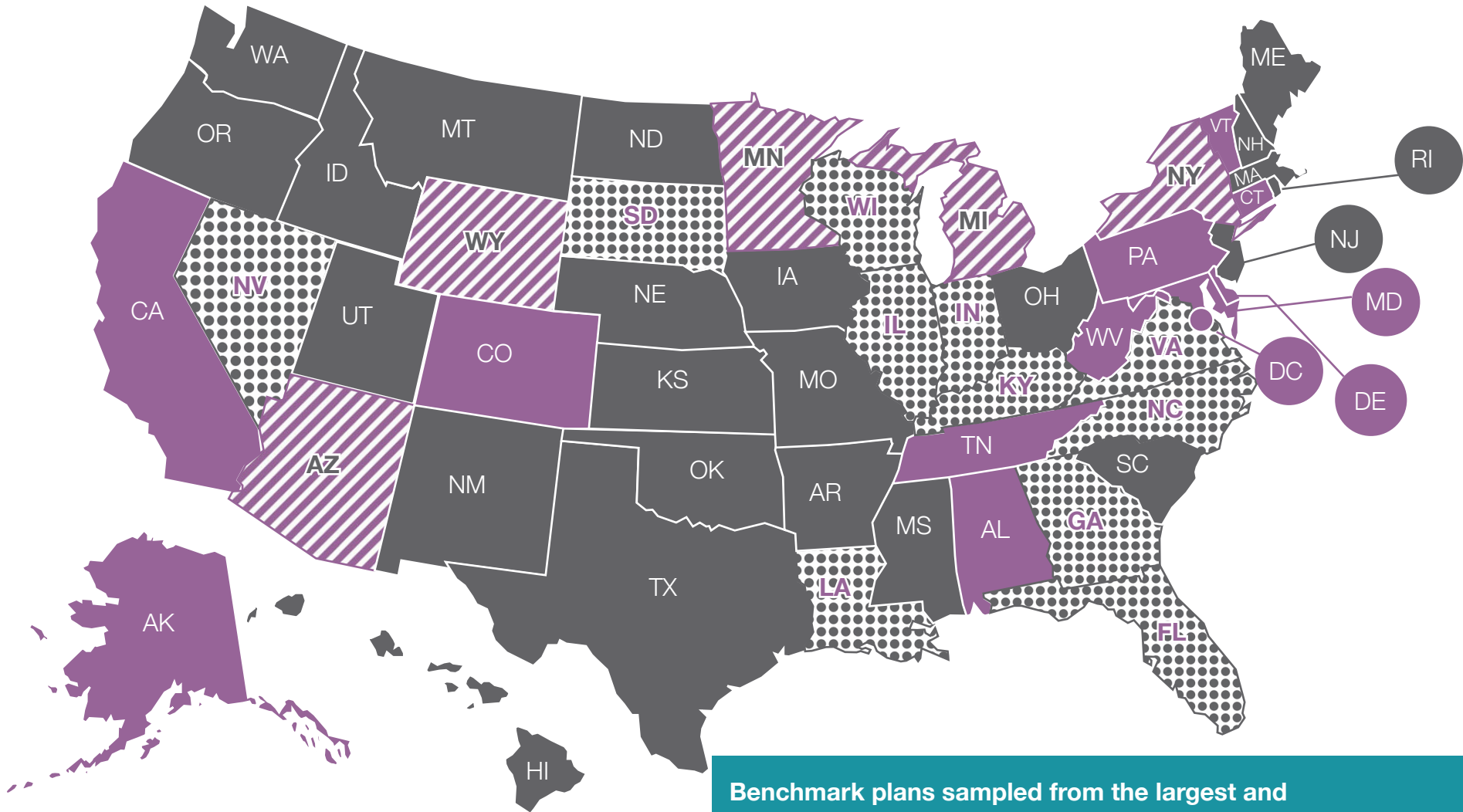


Impact of Missing Premium Assistance for Pediatric Dental Benefits in 2015



Benchmark plans sampled from the largest and smallest counties by population in each state.

-  Subsidy Available for Dental in Both Sample Counties
-  Subsidy Available in Large County / Not Available in Small County
-  No Subsidy Available for Dental in Either Sample County
-  No Subsidy Available in Large County / Subsidy Available in Small County

BACKGROUND

The Affordable Care Act (ACA) requires tax credits, also known as premium assistance, to be available for lower income individuals purchasing health coverage on individual Marketplaces. The assistance can be used to pay premiums for a consumer's health benefits—both medical and pediatric dental. While pediatric dental can be embedded within medical coverage, the (ACA) provides for pediatric dental coverage to be offered separately from medical to parallel today's insurance market where 99% of dental coverage is separate from medical coverage.

In most cases, the IRS calculates a consumer's tax credit to the cost of a "benchmark" plan—defined as the second-lowest cost silver plan in a specific region. Due to IRS definitions of the "benchmark plan," if the second-lowest cost silver plan does not include pediatric dental, the federal tax credit families receive will not include any subsidies for pediatric dental coverage whether purchased as part of a medical plan or separately. When the benchmark silver plan includes pediatric dental, the federal tax credit families receive includes the value of pediatric dental whether or not pediatric dental is purchased by those families as part of their medical coverage or separately.

KEY FINDINGS

To determine where families are not receiving the value of pediatric dental in their federal tax credits, NADP analyzed all 50 states and the District of Columbia to determine whether the benchmark plan in the largest and smallest population centers of each state includes pediatric dental. This map is a summary of that analysis. The largest and smallest population centers were selected for the analysis as they represent urban and rural populations of an entire state. Based on the sample and information released by HHS, we have determined that in 2015 and under current IRS rules:

- the largest population county or zip code in 34 states with a combined population of 36,763,841 did not receive tax credits for pediatric dental coverage,
- the smallest population county or zip code in 28 states did not receive tax credits for pediatric dental coverage, and
- 61% of individuals who selected a Qualified Health Plan (QHP) and received APTC in the 37 states using healthcare.gov (all counties) did not receive tax credits for pediatric dental coverage.

If the basis and process for calculating tax credits is not amended to include the value of separate pediatric dental benefits when the second-lowest cost silver plan does not include pediatric dental, federal tax credits will continue to be unfairly distributed among the states. Without premium tax credits that can assist with the purchase of stand-alone dental policies, many families may forgo pediatric dental coverage and critical oral health care for their children.

METHODOLOGY

NADP analyzed all 50 states and the District of Columbia to determine whether the benchmark plan in the largest and smallest population centers of each state includes pediatric dental. This map is a summary of that analysis. The largest and smallest population centers were selected for the analysis as they represent urban and rural populations of an entire state. To determine the benchmark plan to examine in each sample county, we browsed Exchange websites and offerings, using a single, 30-year old adult with one child as the family composition across all states. For FFMs, this information was also confirmed using information regarding [plan offerings](#) and [premiums](#) made available by HHS.

The methods used to collect the information varied by state based on the level of available information. In all states, NADP obtained information on plan offerings in the largest and smallest county based on a standard consumer profile.

1. In the states that have their own "exchange" or "marketplace," NADP was only able to obtain information from the two sample counties. The largest county was used as representative of urban areas and the smallest county was used to be representative of rural areas.
2. In a few of the state-based Marketplaces (SBM), other public information on Exchange operations and plan offerings was used to supplement the sample county data.
3. In the states where the "exchange" or "marketplace" is operated by the federal government, detailed data tables and census data together allowed NADP to determine the percentage of the population residing in areas where pediatric dental was part of the benchmark plan used to calculate subsidies.