

DATE: APRIL 7, 2014

TO: DR. LEIGHTON KU, CHAIR – DENTAL WORKING GROUP  
MS. KATHERINE STOCKS, VICE CHAIR – DENTAL WORKING GROUP  
MS. MARY BETH SENKEWICZ, HBX



RE: DENTAL OPTIONS WITHIN THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY (HBX)

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## MINORITY RECOMMENDATION TO HBX

### Background

The Patient Protection and Affordable Care Act (ACA) was designed to enable state Exchanges to parallel choices typically offered in the employer market. Within traditional health benefits, dental coverage is sold 99 percent of the time separately from medical policies, whether offered through the same medical carrier or a different dental carrier. Due to this distinction in the private market, the ACA requires Exchanges to allow medical carriers to offer Qualified Health Plans (QHPs) without dental, as long as there are separate dental policies available on the same Exchange. The HBX provides for dental benefits to be offered both separately from *and* embedded within QHPs, and allows for both child-only and family dental policies.

Surprisingly, the four medical plans offering QHPs on the HBX for 2014 embedded the pediatric dental benefit of the essential health benefits package. This was alarming to stand-alone dental plan (SADPs) as it made their child-only policies completely duplicative to the QHPs. It was equally disconcerting for consumers as their dental choices were severely limited. In 47 state Exchanges for the 2014 benefit year, there is an option to purchase a QHP without embedded dental<sup>i</sup>.

The National Association of Dental Plans (NADP), which represents both medical and dental carriers, foresaw how Exchanges could result in a competitive advantage for medical carriers embedding dental within QHPs. In 2011, NADP and the Delta Dental Plans Association (DDPA) published a [White Paper](#) on Exchanges in which we recognized the potential for an unlevel playing field among carriers. NADP recommended then, and continues to promote today for the allowance of all types of dental policy offerings (standalone, embedded, and bundled). In the cases where QHPs are all embedded, NADP recommends the carrier should also offer a QHP without an embedded dental benefit. This recommendation allows for a competitive marketplace and a greater choice for consumers, leading to lower costs and premiums.

### HBX Discussion

In 2014 the Dental Plan Advisory Working Group met to discuss whether medical carriers should be required to offer QHPs without pediatric dental. Understandably, due to the competitive nature of the dental benefits industry, medical carriers declined to voluntarily offer these types of plans and a consensus amid the working group could not be met. Various concerns were discussed including the differences of cost sharing and market reforms placed on embedded versus standalone dental products. Under a medical policy, the dental benefit is under the larger medical out of pocket limits (\$6,350 individual / \$12,700 for family) and dental is not part of the medical AV calculator, while a separate dental policy will have the newly implemented (\$350/\$700) out of pocket limits while remaining within the 70% / 85% AV limits. There was also discussion on the Advanced Premium Tax Credit (subsidies) not being wholly counted towards premiums and the internal policies HBX would need to work through to resolve this issue.

There was concern by HBX on what will happen to the viability of dental carriers overall in the District of Columbia (D.C.). This will be compounded once the entire small business market is required to move into the SHOP in 2016. On a national scale, typically small business is 40% of the industry's market share in a given state.

Most of the current small group market in D.C. is under separate dental policies, forcing complete disruption for current enrollees by making them leave their current policies and potentially their provider. In California they are addressing this issue by requesting medical carriers offer QHPs without dental for their SHOP in 2015. Lastly, Congressional staff will be able to retain their FEDVIP benefit off the SHOP Exchange and should not have the limited choice of QHPs with embedded dental as their only option and thereby forcing them to purchase duplicative coverage.

#### **RECOMMENDATIONS:**

On behalf of the dental benefits industry NADP respectfully requests the HBX Board:

- Reconsider our recommendation and require QHPs without embedded dental be offered on the DC Health Link to continue to save costs, allow for consumer choice and encourage a competitive insurance marketplace.
- Continue discussions this year within the Dental Plan Advisory Working Group to address the small group merger to the SHOP in 2016 so that policy disruptions do not occur and the viability of dental carriers (and their tax revenue) is retained in D.C.
- Encourage the transparency and importance of oral health by making consumers better aware of their dental coverage (whether through a separate or embedded dental policy), which can be done through IT additions such as utilizing pop-up screens or adding background materials and documents.
  - Rhode Island allows through their enrollee questions to guide the purchasing of their dental policies. For example, an adult without children is offered an adult dental policy, and while the product still includes the mandated pediatric dental benefit, it is rated at zero and therefore no additional cost is added.

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<sup>i</sup> Vermont and West Virginia were the only other Exchanges in which the QHPs chose to embed dental. Connecticut due to IT issues required QHPs to embed dental for 2014.

# NADP MEMBERS & SUBSIDIARIES

Last Updated: February 2014



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**Advantage Dental Plan****Aetna Dental****Altus Dental Ins Co**

*Delta Dental of RI*

**American Dental Professional Svcs**

*American Dental Partners*

**American Enterprise Group****AmeriPlan Corporation****Ameritas Life Ins Corp.**

*First Ameritas Life Ins Corp.*

**Argus Dental Plan, Inc.****Assurant Employee Benefits**

*Dental Health Alliance, LLC*

*DentCare, Inc. a Kentucky corporation*

*DentiCare of Alabama, Inc.*

*DentiCare of Oklahoma, Inc.*

*DentiCare, Inc. a Florida corporation*

*First Fortis Life Ins Co*

*Fortis Benefits DentalCare of New Jersey In*

*Fortis Benefits DentalCare of WI, Inc.*

*Fortis Benefits Ins Co*

*Fortis Dental Benefits*

*Georgia Dental Plan, Inc.*

*UDC Life and Health Ins Co*

*Union Security Life Ins Co of NY*

*United Dental Care Ins Co*

*United Dental Care of Arizona, Inc.*

*United Dental Care of Colorado, Inc.*

*United Dental Care of Michigan, Inc.*

*United Dental Care of Missouri, Inc.*

*United Dental Care of Nebraska*

*United Dental Care of New Mexico, Inc.*

*United Dental Care of Ohio, Inc.*

*United Dental Care of Pennsylvania, Inc.*

*United Dental Care of Texas, Inc.*

*United Dental Care of Utah, Inc.*

*United Dental Ins. Company*

**Avesis Third Party Admin. Inc.****Best Life and Health Ins Co****Blue Cross Blue Shield of AZ****Blue Cross Blue Shield of MA**

*Blue Shield of Arkansas*

*Blue Shield of Hawaii*

*Blue Cross of Florida*

*Florida Combined Life Ins Co*

*USAbile Life*

*Life & Specialty Ventures*

**Blue Cross Blue Shield of MI**

*Blue Care Network*

*Blue Care Network of East MI*

**Blue Cross Blue Shield of NC****Blue Cross Blue Shield of SC****Blue Shield of CA****CareFirst BlueCross BlueShield**

*The Dental Network, Inc.*

**CAREINGTON INTERNATIONAL****The CDI Group****Cigna Dental & Vision Care**

*Great West Healthcare*

**Citizens Security Life Ins Co****Companion Life Ins Co**

*Total Dental Administrators*

**Dedicated Dental / Interdent****Delta Dental of AZ****Delta Dental of CA, NY, PA & Affiliates**

*Delta Dental of AK*

*Delta Dental of AL*

*Delta Dental of DC*

*Delta Dental of DE*

*Delta Dental of GA*

*Delta Dental of LA*

*Delta Dental of MD*

*Delta Dental of MS*

*Delta Dental of MT*

*Delta Dental of NV*

*Delta Dental of TX*

*Delta Dental of UT*

*Delta Dental of VT*

*Delta Dental of WV*

*Denti-Cal*

**Delta Dental of IA****Delta Dental of MI, OH, IN**

*Delta Care*

*Delta Dental of AR*

*Delta Dental of TN*

*Renaissance Dental Network*

*Renaissance Health Inc. Company of NY*

*Renaissance Life & Health Ins. Company*

**Delta Dental of MO**

*Advantica Benefits*

**Delta Dental of WA****DENCAP Dental Plans****Dental Care Plus Group Inc.****Dental Health Svcs of America**

*Custom Benefit Advisors*

*DBA-Preferred Administrators*

*Dental Health Svcs (an Oregon corp)*

*Dental Health Svcs, Inc.*

*Dental Health Svcs, Inc. (Arizona corp)*

*Dental Management Svcs*

*Dental Network Svcs*

*DHS Ins Svcs Inc*

**Dental Network of America, Inc. (DNOA)**

*Blue Cross Blue Shield of IL*  
*Blue Cross Blue Shield of NM*  
*Blue Cross Blue Shield of TX*  
*Colorado Bankers Life*  
*Dearborn National*  
*DenteMax, Inc.*  
*Ft. Dearborn Life Ins Co*  
*Health Care Svcs Corp*  
*Medical Life Ins Co*

**Dental Select**

**DentalPlans.com**

**DentaQuest**

**Dominion Dental Svcs, Inc**

**EMI Health**

**EmblemHealth Svcs**

*Connecticare*  
*GHI HMO Select*  
*Group Health Inc*

**GEHA**

*PPO USA a Division of GEHA*

**Guardian Life Ins Co of America**

*Berkshire Life Ins Co of America*  
*First Commonwealth, Inc.*  
*Managed Dental Care*

**Health Resources, Inc.**

**HealthPartners, Inc**

*Central Minnesota Group Health Inc*  
*Group Health Plan Inc*  
*HealthPartners Administrators, Inc.*  
*Midwest Assurance Company*

**Horizon BCBS NJ**

**Humana Specialty Benefits**

*CompBenefits Corporation*  
*Oral Health Svcs*

**IHC Health Solutions**

*American National Life Ins. Company*  
*Fidelity Security Life*  
*GroupLink Reins Co LTD*  
*Guarantee Trust Life*  
*Madison National Life Ins Co*  
*Strategic Health Alliance*

**Kaiser Permanente Dental Care Program**

**Kansas City Life Ins Co**

**Liberty Dental Plan**

**Lifemap Assurance**

**Lincoln Financial Group**

**MetLife**

*SafeGuard Dental and Vision*  
*SafeGuard Health Plans, Inc*  
*SafeGuard Health Enterprises*

**Mutual of Omaha**

**National Guardian Life Ins Co**

**Nevada Dental Benefits**

**Nippon Life Ins Co of America**

**Northeast Delta Dental**

**Pacific Source Health Plans**

**Pan American Life**

**Premera Blue Cross**

*Blue Cross of WA and AK*  
*Lifewise Assurance*  
*Lifewise Health Plan of OR*  
*Premera Blue Cross Blue Shield of AK*

**Premier Access Dental & Vision**

**Principal Financial Group**

*Diversified Dental Svcs*  
*Employers Dental Svcs, Inc.*

**Reserve National**

**Risk Solutions Resources**

**Security Life Ins Co of America**

*Union Security Life Ins. Company of NY*

**SelectHealth**

**Solstice Benefits**

**Southland National Ins Corporation**

**Standard Ins Co**

**Starmount Life Ins Co**

*Always Care*

**Sun Life Financial**

**Superior Dental Care Inc.**

**TruAssure**

**United Concordia Companies Inc.**

*Blue Cross Blue Shield of WV (Mountain St)*  
*Highmark Blue Cross Blue Shield*  
*United Concordia Life & Health*

**United Healthcare Specialty Benefits**

*Dental Benefit Providers, Inc.*  
*Illinois Pacific Dental*  
*MAMSI Life & Health Ins Co*  
*National Pacific Dental*  
*Nevada Pacific Dental*  
*Oxford Health Plans*  
*Pacific Union Dental*  
*PacifiCare Dental & Vision*  
*PacificDental Benefits, Inc.*  
*Solstice Benefits*  
*United Health Care Corporation*

**UPMC Health Plan**

**WellPoint Dental Svcs**

*Anthem Blue Cross Blue Shield*  
*Anthem Health & Life Ins Co*  
*Blue Cross Blue Shield of GA*  
*Blue Cross Blue Shield of MO*  
*Blue Cross Blue Shield of WI*  
*Blue Cross of CA*  
*DeCare*  
*Golden West Dental & Vision Plan*  
*Unicare Health Ins Co of the Midwest*  
*Unicare Life and Health Ins Co*

**Western Dental Svcs**

**Willamette Dental Insurance, Inc**

*Willamette Dental Group  
Willamette Dental Management Corporation  
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Dental Care Alliance  
DentalOne Partners  
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Health Solutions Plus  
Healthscape Advisors  
McKinsey and Company  
Milliman Inc.  
P & R Dental Strategies, Inc.  
Pacific Resources  
Qualbe Marketing  
Revolv (formerly Corvesta)  
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Secure EDI  
Spencer Stuart  
Stratose  
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The Premier Dental Group, Inc.  
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