



## West Virginia Offices of the Insurance Commissioner

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### **Brief: Dental Benefit Plans in the Health Insurance Exchange**

#### **Background:**

Stand-alone dental plans offer flexibility for Exchanges by allowing certification of medical Qualified Health Plans (QHP) without the required dental benefits as long as a stand-alone dental plan exists within the Exchange that provides the pediatric essential health benefit and meets other QHP requirements (currently being determined by HHS). Due to the unique nature of stand-alone dental plans it is important to understand the federal requirements and key provisions related to them and how their inclusion would impact an Exchange.

The "Proposed Rule" referenced in this brief is **45 CFR Parts 155 and 156**. The "Final Rule" referenced in this brief is **45 CFR Parts 155, 156, and 157**.

The rules can be located [here](#) or at the following CMS website:

<http://cciio.cms.gov/resources/regulations/index.html#hie>

#### **Summary of Federal Requirements/Key Provisions:**

Exchanges must allow limited scope dental plans to be offered either in conjunction with a QHP or as a stand-alone dental plan. Stand-alone dental plans are considered a type of QHP and as such, are subject to most requirements related to QHPs with some exceptions, such as network adequacy, accreditation, and determination of actuarial value. The exceptions are for those certification standards that cannot be met because the stand-alone dental plans covers only pediatric dental benefits (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 385). In the Final Rule it was stated that separate network adequacy standards and accreditation standards may need to be developed by the Exchange for stand-alone dental plans (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 385). However, no further guidance is available regarding which of these certification standards do not apply, and it is expected the State may have flexibility in this area.

Stand-alone dental plans are required to comply with market reforms applicable to QHPs such as same out-of-pocket, annual, and lifetime limits. If a stand-alone plan offers additional benefits beyond the required pediatric dental benefits, the essential health benefit requirements such as annual, lifetime, and out-of-pocket limits do not apply to the additional benefits. (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 382).

#### ***Offering Stand-Alone Dental Plans:***

- The Exchange must allow the offering of a limited scope dental benefits plan through the Exchange (Final Rule, X. Regulations Text, Part 155, Subpart K, §155.1065, pg. 610-611).
- The Exchange may allow the dental plan to be offered as an independent stand-alone dental plan or in conjunction with a QHP (E.g. as a subcontractor of a QHP) but cannot limit participation of stand-alone dental products in the exchange to only one of these options (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 381).



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- Child-only stand-alone dental plans can be offered through the Exchange (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), 383).
- If the Exchange would like to have medical QHPs separately offer and price pediatric dental coverage in the interest of consumers it may and then establish such a standard as a condition of QHP certification. However, it is not required to separately price and offer pediatric dental coverage (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 383).
- The plan must cover, at a minimum, pediatric dental essential health benefits provided that there are no lifetime limits on the dollar value of benefits for any participant or beneficiary or annual limits on the dollar value of benefits for any participant or beneficiary (Final Rule, X. Regulations Text, Part 155, Subpart K, §155.1065, pg. 610-611).

### ***Relationships between Stand-Alone Dental and Other QHPs:***

- An Exchange must consider the collective capacity of stand-alone dental plans during certification to ensure sufficient access to pediatric dental coverage (Final Rule, X. Regulations Text, Part 155, Subpart K, §155.1065, pg. 610-611).
- If a stand-alone dental plan, which includes the essential pediatric dental health benefits, is offered through an Exchange, another health plan offered through the Exchange must not fail to be treated as a QHP solely because the plan does not offer coverage of benefits offered through the stand-alone plan that are otherwise required (Final Rule, X. Regulations Text, Part 155, Subpart K, §155.1065, pg. 610-611).

### ***Data Collection:***

- Exchanges must collect rate information for pediatric dental benefits and for any benefits in excess of the other benefits offered.
  - Exchanges will need to be able to identify such information to support the administration of advance payments of the premium tax credit (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (c), pg. 371).

### ***Fees/Cost-Sharing/Premiums:***

- Cost-sharing limits and restrictions on annual and lifetime limits also apply to stand-alone dental plans for coverage of pediatric dental essential health benefits. Standards specific to essential health benefits do not apply to benefits offered by stand-alone dental plans beyond the pediatric dental essential health benefits (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 381). They will offer further guidance in the future.
- A participating issuer must remit user fees to a State-based or a Federally-facilitated Exchange (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 156, Subpart A (c), pg. 396).



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- QHP issuers must remit any fees charged by the Exchange, whether structured as user fees or otherwise (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 156, Subpart A (c), pg. 396).
- For purposes of determining the amount of any monthly premium, if an individual enrolls in both a qualified health plan and a stand-alone dental plan for any plan year, the portion of the premium for the plan (under regulations prescribed by the Secretary) must be properly allocable to pediatric dental benefits which are included in the essential health benefits and shall be treated as a premium payable for a qualified health plan (PPACA, Part 1, Subpart A, SEC. 1401., SEC. 36B.(b)(3)(E), pg. 107).
- If an individual enrolls in both a qualified health plan and a stand-alone dental plan for any plan year, that portion of any reduction in cost-sharing must be properly allocable to pediatric dental benefits which are included in the essential health benefits (PPACA, Part 1, Subpart A, SEC. 1402.(c)(2)(5)pg. 115).

### ***Qualifying Standards and Certifications Applicable to Dental Stand-Alone Dental Plans:***

- Potential QHP issuer standards that may apply to stand-alone dental plans may include: Quality reporting, transparency measures, summary of coverage information, provider networks standards, and standards regarding the consumer's experience in comparing and purchasing plans (Proposed rule, II. Provisions of the Proposed Regulation, Subpart K (h), pg. 41894).
- The plan and issuer of such plan must meet QHP certification standards, including non—discrimination, except for any certification requirement that cannot be met because the plan covers only pediatric dental essential health benefits (Final Rule, X. Regulations Text, Part 155, Subpart K, §155.1065, pg. 610-611).
- Exchanges may certify a health plan as a QHP even if it doesn't offer the pediatric essential benefit as long as there is also a stand-alone dental plan which does offer the pediatric essential benefit also available on the Exchange (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 381).
- The Exchange may establish certifications standards specific to stand-alone dental plans (E.g. setting different network adequacy standards for stand-alone dental plans). Any application of QHP standards to stand-alone dental plans by the Exchange would only apply to stand-alone dental plans offered through the Exchange (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 385).
- Accreditation standards specific to stand-alone dental plans often do not exist and therefore may not apply to stand-alone dental plans (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (h), pg. 385).

### ***Re-certification of Dental and Stand-Alone Dental Plans:***

- The Exchanges may determine the frequency for recertifying QHPs as the ACA doesn't require recertification of QHPs on an annual basis (Proposed rule, II. Provisions of the Proposed Regulation, Subpart K (i), pg. 41895). This was upheld in the final rule (Final Rule, II. Provisions of the Proposed Regulation and Analysis of and Responses to Public Comments, Part 155, Subpart K (i), pg. 387)



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### *Other notes from meeting with HHS on 9/27/12:*

- All dental plans sold within the Exchange must include the pediatric essential health benefit, however CCIIO will provide additional information on whether or not dental carriers may separate out the pricing on the adult and pediatric coverage so that adults who do not need pediatric coverage can purchase the adult portion only.
- There is not a consumer obligation to purchase the pediatric essential health benefit inside the Exchange, e.g. if an individual or family purchases a medical QHP that does not include pediatric dental, they will not be forced to enroll in a stand-alone dental plan.