Talking Points on Ensuring Consumer Protections and Affordability of Pediatric Dental Benefits in State Insurance Exchanges

The Affordable Care Act (ACA) passed by Congress and signed into law by President Obama in March 2010 mandated oral health care as part of the pediatric coverage in the essential benefits package. This provision, often referred to as the pediatric dental benefit, has been celebrated by advocates in the child health community. In the final weeks of the law's debate in Congress, Senator Stabenow offered a conceptual amendment which resulted in detailed language that allowed for limited-scope dental plans (aka stand-alone dental plans) to provide coverage in the Exchanges. The specifics of that language have created unintended consequences that could place consumer protections, affordability, and access to dental care in significant jeopardy.

- Stand-Alone Dental Plans in the Exchanges: ACA permits stand-alone dental plans to provide the "pediatric dental benefits" in health insurance Exchanges and subsequently allows health plans to opt out of providing pediatric dental benefits if a stand-alone plan is offering coverage in the state.

- Excepted Benefits Definition: Because ACA uses the HIPPA "excepted benefits" definition when referring to limited-scope dental plans, the law inadvertently exempts them from consumer protections outlined in the law.

The ability of an Exchange to provide dental coverage that supports consumer choice, access and affordability depends on consistent standards for coverage options. The Exchange has the ability to apply equal standards for qualified health plans (QHP) and stand-alone dental plans to ensure parity in coverage, cost-sharing, and consumer protections.

Importance of Oral Health Coverage

A child's health includes their oral health and oral health is more than just brushing and flossing. Tooth decay is a contagious bacterial infection and cavities are an outcome of that disease. The disease that leads to cavities (dental caries) is established by preschool and remains the most common chronic condition in childhood despite being preventable. Unfortunately, nearly half of all children entering kindergarten have at least one cavity which, left untreated, lead to the spread of pain and infection as well as problems eating, speaking and learning. Later in life, poor oral health is linked to increased risk for heart disease, stroke and premature birth. While more than twice as many Americans lack dental insurance as health insurance, access to dental care is often overlooked until there is a problem. ACA requires the essential benefit package to include dental coverage for our youth in order to address preventable oral health problems early and in a cost-effective manner.

Concerns

Consumer advocates seek to ensure that families have the information and choice necessary to enroll in dental coverage within an Exchange that will provide sufficient access to affordable, comprehensive dental coverage in their community. Principal concerns are concentrated on uniform standards for stand-alone dental plans and QHPs related to coverage, cost-sharing, and consumer protections. While ambiguity remains in federal law, States have significant freedom to impose requirements beyond Federal statute if doing so is deemed to be in the best interest of consumers.

Child-Only Coverage: ACA requires insurers that offer a QHP on the Exchange to offer a child-only plan and stand-alone dental plans should not be excluded from this requirement. ACA's unfortunate omission of a mandated adult dental benefit leaves only the child portion of a dental benefit eligible for premium tax subsidies. In order to create transparency in pricing, certification requirements for insurers to participate in an Exchange should include the offering of a child-only dental benefit by QHPs and/or stand-alone dental plans. This clarification will provide families information to make informed decisions about the cost and scope of dental coverage they choose to purchase.

Cost-Sharing: Requirements in ACA limit cost-sharing once a family reaches their out-of-pocket limit on health care spending. However, out-of-pocket expenses incurred when a family is enrolled in a stand-alone dental plan are not subject to the cost-sharing limits while dental expenses incurred when enrolled in a QHP are subject to the limits and reductions. In an effort to create cost-sharing standards, certification requirements for insurers to participate in an Exchange should include uniform standards for cost-sharing limits (and subsequent reductions) for QHPs and stand-alone dental plans.

Consumer Protections: The consumer protections enacted by ACA that went into effect on September 23, 2010 include coverage of recommended prevention services with no cost-sharing, appeals process and mandatory external review of denied claims, coverage of dependents up to age 26, restrictions against annual dollar limits and lifetime coverage limits, and restrictions against denial of pediatric coverage for pre-existing conditions. While these consumer protections apply for families purchasing dental coverage through a QHP, as a result of stand-alone dental plans' status in the law, families that receive coverage through a stand-alone dental plan in the Exchange forgo these consumer protections. Therefore, certification requirements for insurers to participate in an Exchange should include the equal application of consumer protections to QHPs and stand-alone dental plans.

Talking Points

- Families should not be forced to pay more and get less. Applying consistent standards for cost, availability and consumer protections should be requirements to participate in the Exchange.

- Our State has the ability to meet the oral health needs of our children by promoting fair competition and choice. Establishing fair competition of dental coverage within the Exchange means playing by the same rules. Requiring transparency in benefits and pricing and the ability for all families to appeal the decision of their dental insurer are standards that promote competition while providing families the equal opportunities to stay healthy.

- The law is complex, but the solution is simplification. Applying the same certification standards to participate in the Exchange for stand-alone dental plans as is required for Qualified Health Plans for cost-sharing and limits, child-only plans and external appeals is simply easier to administer than having separate standards for pediatric dental care.