



Dental Plans Advisory Working Group Meeting

March 7, 2014

Issues

1. The Exchange (HBX) should require some major medical plans to be offered without dental benefits embedded.

Dental carriers argue that without a requirement for at least a few QHPs to offer major medical plans without dental inside the Exchange, there is no viable market for QDPs offering pediatric dental in compliance with the Affordable Care Act (ACA). The Exchange denies dental carriers the opportunity to sell ACA-compliant pediatric dental in OR outside the exchange in the non-group and small group markets.

2. SHOP Standalone Dental Plans

Since the HBX will be able to offer dental plans in SHOP in the not-too-distant future, policy decisions need to be made, about which the Board requests the working group's assistance. Decisions for the following SHOP standalone dental plan issues also have implications for the current IT system that has been implemented for DC Health Link. Certain capacities are built into the IT system, but others are not. If those options are selected, reprogramming would be needed which presents operational costs and challenges for HBX.

2-A. Plan Selection Options: Which sets of standalone dental plans can employers choose to offer to their employees?

Employers will be able to select a set of standalone dental plans to make available to eligible employees. Eligible employees will be able to choose whether or not to enroll in one of the standalone dental plans offered by the employer.

- Option 1: Any number of selected plans?
- Option 2: 1 plan?
- Option 3: All plans from a dental carrier?
- Option 4: All plans from a certain level (i.e. high or low)?
- Option 5: All plans from all carriers and all levels?

Presently, the system can support Option 1 above: the out of the box product allows the employer to select any number of plans from the full list of plans. However, as a policy matter there are other options, listed above.



Options 2, 3, and 4 are presented as they are similar to the **medical** plan selection options currently available to employers.

Informationally, for 2014, the following number of standalone dental plans are approved to be available on SHOP:

- Best Life and Health Insurance Company - 4
- Delta Dental - 10
- Dentegra - 4
- Dominion - 2
- Metlife - 2
- Guardian - 4

Please note that if the system cannot support a particular option, there will be a cost associated with choosing the option. The system can support only Option 1 above.

2-B. Employer Contributions: What contribution methodology should employers be able to offer towards standalone dental plans?

- Option 1: % of member-level age rate within a reference plan selected by the employer
- Option 2: % of premium of whichever plan is selected by the employee

Presently, the system can support the Option 1: the out of the box product allows the employer to choose a “reference plan” from all of the dental plans it offers to its employees, and the employer then chooses a percentage of the premium that it will contribute based on the reference plan premium regardless of the employee’s plan choice . This method mirrors the major medical plan contribution option currently available to employers.

Option 2 is not currently supported by the system. Also, since this contribution option is not offered for medical plans, it might be confusing to offer it for dental plans.

2-C. Minimum Contribution: Should employers be required to contribute a minimum amount towards standalone dental plans?

The system can support a zero minimum employer contribution to a dental plan. There will be a small cost to requiring a minimum employer contribution on the dental side. Also, staff believes a zero minimum employer contribution to a dental plan is the common practice presently.

For medical plans, SHOP employers are required to contribution at least 50% towards employee only coverage in the selected reference plan, except for medical plans with a January 1 effective date, a minimum contribution is not required.