

# Pediatric Dental Coverage in State and Federally Facilitated Marketplaces: The 2014 Plan Year Experience.

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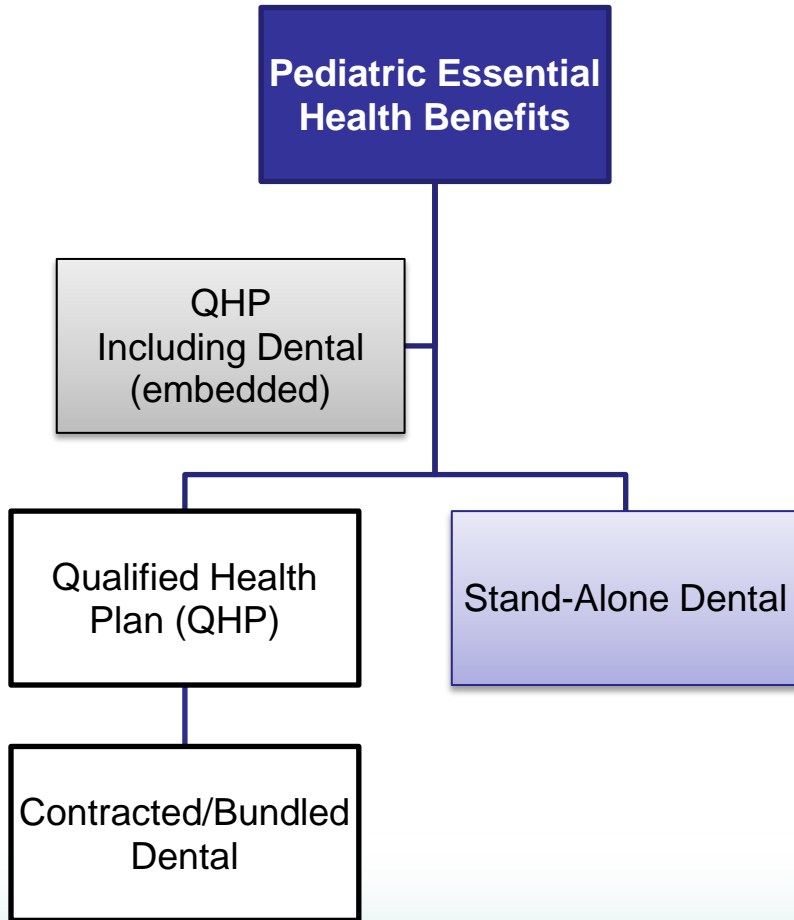
Children's Dental Health Project

# ACA Dental Coverage: The Basics

- Intended to be part of comprehensive pediatric coverage
- EHB category 10: *“pediatric services, including oral and vision care”*
- Must be offered up to age 19 in marketplace, small group, & individual coverage
- ACA treats dental differently than health benefits



# How can marketplaces offer dental?



- Stand-alone dental must be allowed to offer
- QHPs can be exempt from offering dental
- ACA does not require purchase of stand-alone dental
- States may require purchase
- Stand-alone dental not considered in Premium Tax Credit calculation

# Comparing coverage options

## Stand-alone

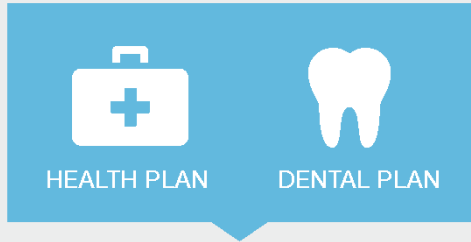
- Optional to purchase (unless state requires)
- Separate deductible
- Separate out-of-pocket maximum
- No cost-sharing reductions
- Some consumer protections may not apply
- Not included in tax credit calculation

## QHP w/ Embedded Dental

- Integrated dental benefits for all enrolled children
- One premium for health and dental
- May have high unified deductible
- Transparency a major concern

# Out-of-Pocket Maximums

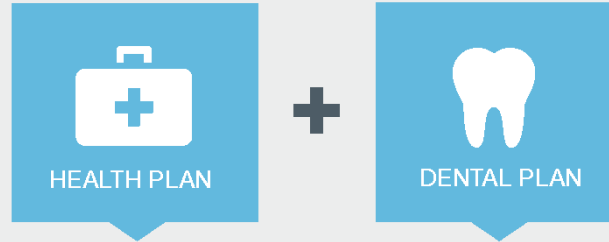
HEALTH PLAN THAT COVERS CHILDREN'S DENTAL CARE



OUT-OF-POCKET MEDICAL & DENTAL SPENDING



HEALTH PLAN AND SEPARATE DENTAL PLAN



OUT-OF-POCKET MEDICAL SPENDING



OUT-OF-POCKET DENTAL SPENDING



\$7,050 TOTAL OUT-OF-POCKET LIMIT

Separate & additional OOP max for stand-alone dental.

FFM: \$700 per child, \$1,400 for 2 or more children

State-based: defined by state; in some states OOP max is \$1,000 per child

# Premium Tax Credits: Example

**Richmond, VA family of 4 w/ annual income of \$70,650**

- Premium limit = **\$6,712** (9.5% of income)
- 2<sup>nd</sup> lowest cost silver plan (no dental) = **\$8,959**
- Tax credit amount:  $\$8,959 - 6,712 = \mathbf{\$2,247}$
  
- Estimated dental premium (2 kids) = **\$552**
- Total premium obligation = **\$7,264** (10.3% of income)

# WHAT DO WE KNOW FOR 2014?

# Pediatric dental offerings: 2014

## State-based marketplaces:

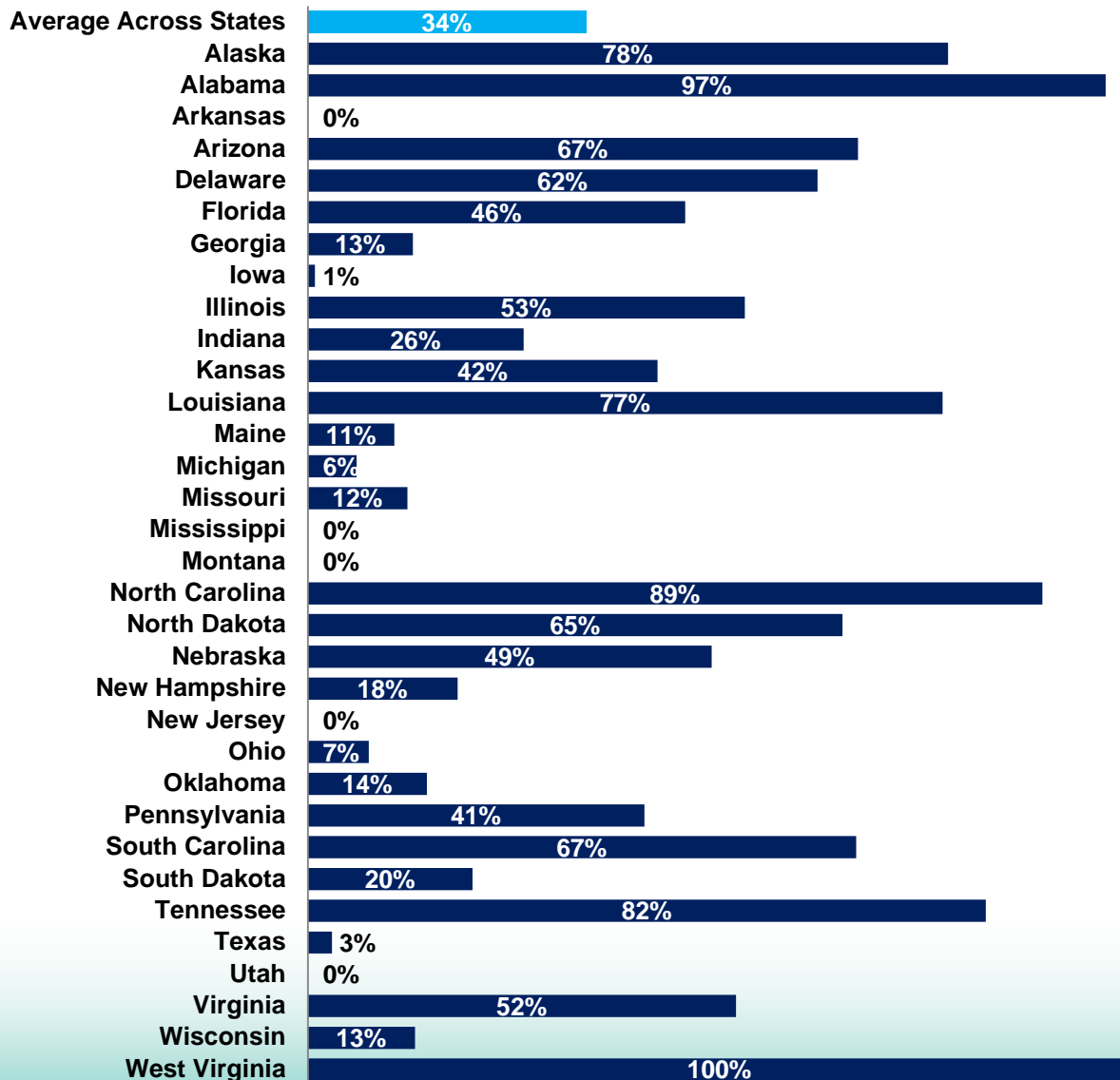
- **CA, NV, WA** – must be sold stand-alone
- **KY, NV, WA** – requirement to purchase
- **CT** – all QHP standard plan designs embed dental & largely protect from high deductibles
- **DC, RI, VT** – all QHPs chose to embed
- **UT** – very limited benefits in dental offerings

## FFM & Partnership marketplaces:

- No restrictions on plan types
- No requirement to purchase stand-alone plans



## QHPs with Embedded Pediatric Dental Coverage by State (FFM & Partnership Marketplaces)



About a third (34%) of all health plans in the federally-facilitated marketplaces include pediatric dental coverage in their products.

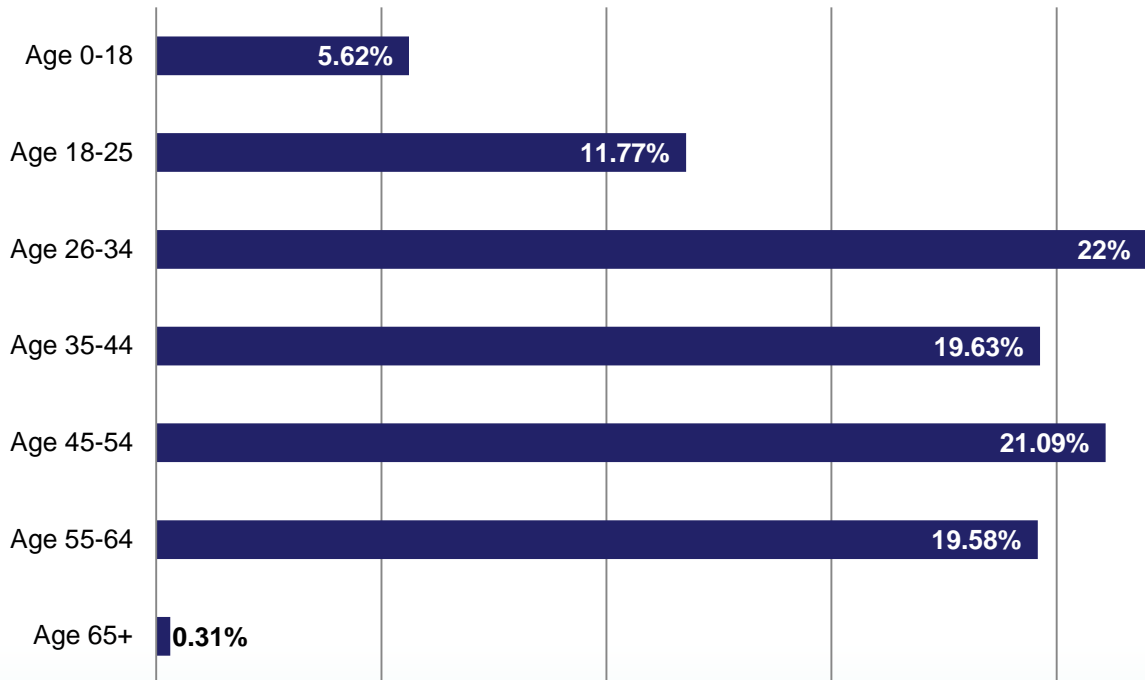
Less than 1% include adult dental coverage.

Plan documents aren't always clear on how cost-sharing & deductibles apply to dental benefits.

Source: CDHP analysis of health plan information data:  
<https://www.healthcare.gov/health-plan-information/>

# Take-Up of Stand-alone Coverage

**Stand-alone Dental Take-up by Age Group as % of Total (FFM & Partnership Marketplaces)**



Adults account for vast majority of take-up but adult dental not part of EHB & not subsidized

No data on embedded pediatric dental take-up.

Data Source: ASPE Enrollment Report:  
[http://aspe.hhs.gov/health/reports/2014/MarketPlaceEnrollment/Mar2014/ib\\_2014mar\\_enrollment.pdf](http://aspe.hhs.gov/health/reports/2014/MarketPlaceEnrollment/Mar2014/ib_2014mar_enrollment.pdf)

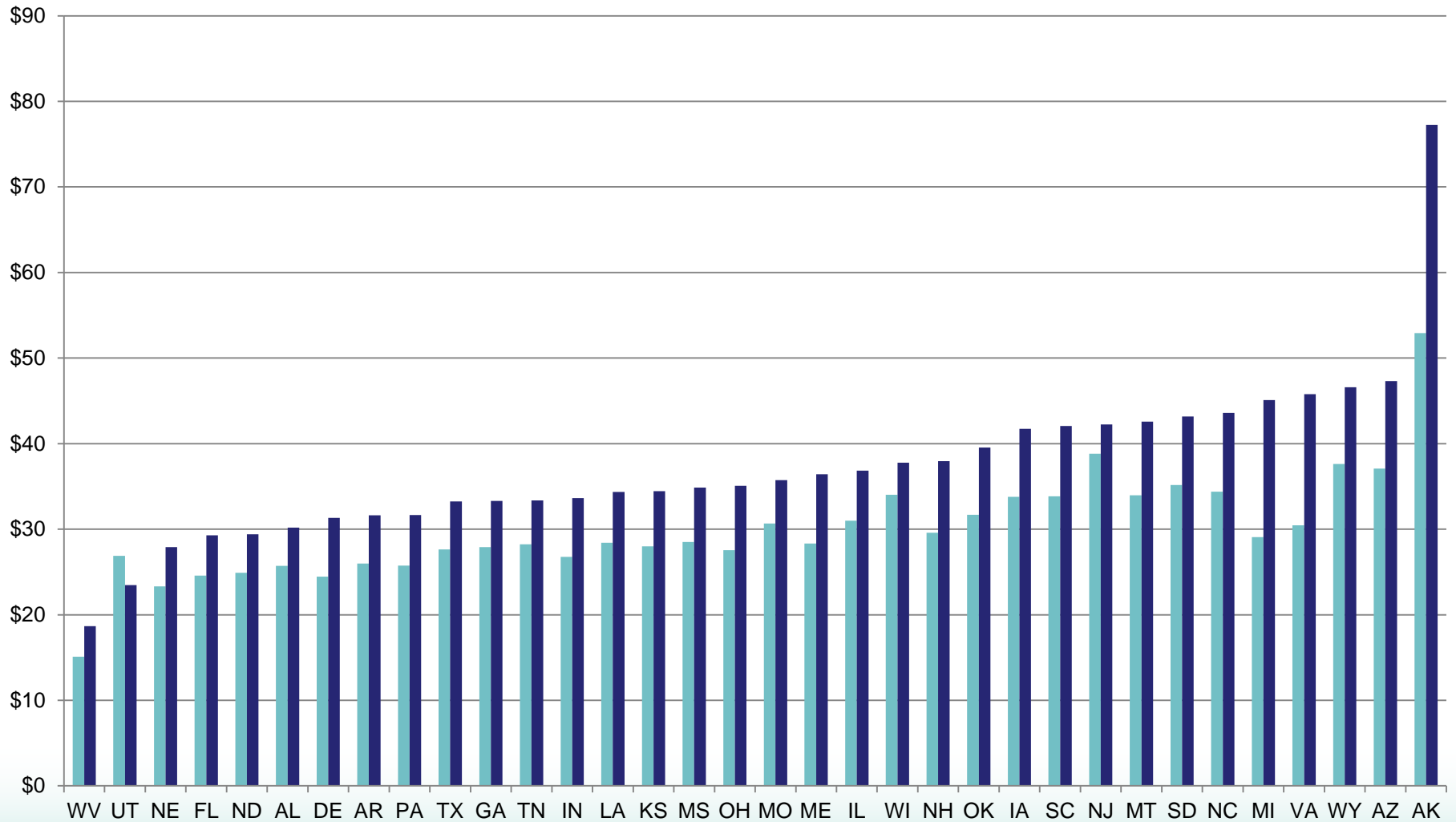
# What Does Coverage Cost?

	Embedded in QHP	Stand-alone Plan
<b>Average Premium</b>	\$5.11 (attributable portion of premium)	\$30.98 (70% AV) \$38.89 (85% AV)
<b>Average Deductible</b>	When separate: \$34.21 When unified: \$2,935	\$41.10

Source: ADA Health Policy Resource Center, "Health Insurance Marketplaces Offer a Variety of Dental Benefit Options."

# Average Child-only Stand-alone Dental Premiums by State & Metal Tier (FFM & Partnership Marketplaces)

■ Low (70% AV)  
■ High (85% AV)



# State Policy Changes: 2015

- **CO** – requiring purchase of pediatric dental
- **HI** – considering requirement to purchase
- **CA** – allowing embedded dental & standardizing OOP maximums (reducing dental OOP by \$350)
- **WA** – debating allowing embedded plans
- **CT** – including stand-alone adult dental offerings

# Federal Policy Changes: 2015

## Notice of Benefit and Payment Parameters:

- Stand-alone dental max OOP reduced:
  - \$350 per child, \$700 for multiple children
  - Applies to FFM & state-based marketplaces



# Areas of Concern

- QHP dental integration
- Duplicative coverage?
- Affordability & take-up
- Tax credit availability
- Transparency/shopping experience
- Consumer education
- Navigator/assister training
- Data!!!

# Questions?

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