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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

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 with annual income of $70,650

- Premium limit = $6,712 (9.5% of income)
- 2nd lowest cost silver plan (no dental) = $8,959
- Tax credit amount: $8,959 – 6,712 = $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
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

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:
What Does Coverage Cost?

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

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

$0 $10 $20 $30 $40 $50 $60 $70 $80 $90

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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