

Affordable Care Act

Delta Dental of Wisconsin's position

Delta Dental of Wisconsin believes the Affordable Care Act (ACA) allows the purchase of dental-benefit plans by all employers in Wisconsin – most notably employers with 50 employees or fewer – on a business-as-usual basis.

Here is a summary of the laws, rules, and regulations that support our position that small-group clients can keep purchasing the group dental products Delta Dental has traditionally offered in Wisconsin:

1. The ACA requires that most taxpayers enroll in “Minimum Essential Coverage” or be subject to the individual mandate penalty. *Source: ACA*
2. Dental is an excepted benefit; Minimum Essential Coverage does not include dental benefits. *Source: IRS Bulletin 26 CFR Part 1, issued Feb. 1, 2013*
3. Based on this guidance, the ACA does not require anyone to enroll in dental coverage.
4. Medical carriers must include Essential Health Benefits (EHB) in their small-group and individual contracts beginning in 2014. Children’s dental benefits are an EHB – the Pediatric Oral Essential Health Benefit (POEHB). *Source: ACA and final regulations PPACA: Standards related to Essential Health Benefits, Actuarial Value and Accreditation: Federal Register/ Vol.78, No. 37*
5. Medical carriers do not have to include the POEHB in contracts offered on the Federally Facilitated Exchange as long as a qualified standalone POEHB is offered on-exchange. Delta Dental will offer a standalone POEHB on the Wisconsin exchange. *Source: ACA, final regulations PPACA: Standards related to Essential Health Benefits, Actuarial Value and Accreditation: Federal Register/ Vol.78, No. 37, and Delta Dental*
6. The Wisconsin Office of the Commissioner of Insurance issued a bulletin in April 2013 dealing with pediatric dental coverage provided through medical and standalone dental plans. The bulletin stipulates that all comprehensive small-group and individual health plans sold in Wisconsin (on- and off-exchange) must disclose prior to sale whether they cover pediatric dental. This disclosure satisfies the “reasonably assured” requirement specific to medical carriers which allows them to be in compliance off-exchange – even if the medical plan excludes POEHB. *Source: OCI Bulletin, issued April 2, 2013*

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7. The OCI bulletin suggested this policy language for health plans that do not include dental coverage for children: “Please contact your insurance carrier, agent or the Federally Facilitated Exchanges if you wish to purchase pediatric dental coverage or a standalone dental-services product.” *Source: <http://oci.wi.gov/bulletin/0413peddental.htm>*

In Wisconsin, medical carriers do not have to include the POEHB in their small-group and individual medical plans. Individuals and small employers can enroll in the dental coverage that best meets their needs.

children’s dental benefits

Delta Dental expects some carriers’ medical plans will include children’s dental benefits, while other carriers will exclude them and provide notice of the exclusion, as the OCI bulletin allows. Even if children’s dental care is a covered medical-plan benefit, the actual benefit may be minimal. Here’s why:

- Children’s dental benefits may be subject to much higher deductibles and other cost-sharing provisions than traditional dental products. High member cost-sharing may result in very limited paid benefits for routine dental procedures.
- The POEHB provides orthodontia benefits only for children with severe conditions like cleft palate, and not for most children that currently have orthodontia benefits through traditional dental plans.
- Because medical carriers tend to have skinny dentist networks, a medical carrier’s dental plan may force members to change dentists to receive benefits under the plan.
- Buying full-family dental coverage emphasizes the importance of oral health for all ages, not just children.

Benefits advisors should work closely with small-employer medical-plan purchasers to understand the member cost-share associated with children’s dental benefits. If member cost-share is high, or if children’s dental care is not included in the medical plan, a traditional family dental plan – the sort of dental plan Delta Dental has been providing Wisconsin customers for 50 years – can protect everyone in the family.

summary

Ultimately, taking a business-as-usual approach to dental benefits under the ACA – relying on traditional dental coverage provided through traditional channels – will usually provide the most comprehensive and affordable coverage to the most people.

Whether you recommend business-as-usual to your small-employer clients or include POEHB in your recommendations, Delta Dental of Wisconsin has the products to meet your clients’ dental-coverage needs.

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