

# Stand-alone Dental Plans (SADPs)

**December 18, 2019**

Center for Consumer Information and  
Insurance Oversight (CCIIO)

# Stand-alone Dental Plans

November 2019

The information provided in this document is intended only to be a general informal summary of technical legal standards. It is not intended to take the place of the statutes, regulations, or formal policy guidance that it is based upon. This document summarizes current policy and operations as of the date it was presented. We encourage readers to refer to the applicable statutes, regulations, and other interpretive materials for complete and current information. This communication was produced and disseminated at U.S. taxpayer expense.

# Agenda

Overview of Stand-alone Dental Plans (SADPs)  
Of Interest to Consumers

# Overview of SADPs

SADPs are treated uniquely in the Patient Protection and Affordable Care Act (PPACA) and the Public Health Service Act (PHSA).

- Dental benefits offered in a separate plan generally are considered “excepted benefits.”
- Various statutory and regulatory standards apply differently to SADPs than to other Qualified Health Plans (QHPs).
- SADPs are excepted from the insurance market reform provisions of the PHSA, including the amendments made by PPACA.
  - Including but not limited to: medical loss ratio standards; rating standards related to age, family size, rating area, and tobacco use; and guaranteed availability and guaranteed renewability standards.

# Overview of SADPs (Cont.)

All SADPs certified by an Exchange must cover pediatric dental Essential Health Benefits (EHBs). Depending upon the state's EHB benchmark plan, these include:

- Dental Check-up
- Basic Dental - Child
- Major Dental - Child
- Medically Necessary Orthodontia – Child

QHPs may exclude coverage of the pediatric dental EHB in an Exchange in which a certified SADP is offered.

Each year, CMS releases guidance to advise issuers in the Federally-facilitated Exchanges (FFE) whether or not QHPs should expect to need to include the pediatric dental EHB. This guidance, published on the CCIIO website, by state and market type, is based on whether SADP issuers tell CMS that they plan to offer SADPs in a particular Exchange.

Outside of the Exchange, CMS would not find issuers of plans subject to the EHB requirements non-compliant with the EHB requirement if they exclude pediatric dental coverage as an EHB only if:

- The issuer is “reasonably assured” that its enrollees already have coverage under an Exchange-certified SADP.

# Of Interest to Consumers

The maximum out-of-pocket cost for Exchange-certified SADPs has not changed since last year. It is \$350 for one child and \$700 for two or more children. This only applies to the pediatric dental EHB portion.

## Levels of Coverage for Dental

- For Plan Year 2020, SADP issuers may offer the pediatric dental EHB at any metal level of coverage (e.g., silver).

SADPs are not eligible for cost-sharing reductions.

# Of Interest to Consumers (Cont.)

Display of Child and Adult Dental Benefits on Plan Compare (via [www.healthcare.gov](http://www.healthcare.gov)):

- SADP coverage of child dental benefits displays under the following four categories of pediatric benefits: Check-up, Major dental care, Basic dental care, and Medically necessary orthodontia.
- SADP coverage of adult dental benefits displays under the following four categories of adult benefits: Routine dental care (adults), Basic dental care, Major dental care, and Orthodontia.

# Of Interest to Consumers (Cont.)

Consumers who enroll in medical QHPs may also select SADP coverage for their dependents. Adult dental coverage may also be available through SADPs.

SADPs are not required to develop or display a Summary of Benefits and Coverage, but can include a link to the plan brochure.

Rates display as either “Guaranteed premium” or “Estimated premium” along with the premium amount.

- “Guaranteed premium” – issuer is committed to charging that rate vs. “Estimated premium”- issuer retains flexibility to change the rate.
- Note: To get the actual rate for “Estimated premium” the consumer has to contact the issuer.



# Of Interest to Consumers (Cont.)

For Plan Year 2020, a consumer's APTC may cover the cost of the pediatric dental EHB portion of an SADP premium in addition to covering the portion of the premium for a medical QHP attributable to EHB.

- When a silver plan in a service area lacks coverage of pediatric dental benefits, the benchmark plan for APTC purposes for child consumers will be determined by identifying the second-lowest-cost option among the silver level QHPs that include the pediatric dental EHB and adding the second-lowest-cost pediatric dental EHB portion of the SADP premium to the premium of the silver QHPs that lack pediatric dental benefits.
- This may increase the size of APTC for child consumers relative to past years.

As in prior years, if a consumer has leftover APTC from purchasing a medical QHP, the remaining APTC can be applied to the premium of the SADP. However, it would only be applicable to the pediatric dental EHB portion of the SADP premium.