

Dental coverage in the individual market

Landscape of 2020 Federally Facilitated Marketplace dental offerings

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The individual market requires consumers and families to make informed decisions from several different options for dental coverage.

For almost a decade, two-thirds of U.S. individuals and families who qualify for subsidized health insurance under the Patient Protection and Affordable Care Act (ACA) have been shopping for coverage through the Federally Facilitated Marketplace (FFM). The FFM platform was created for use by states that elected against creation of a State-based Marketplace (SBM) under the ACA. Today, consumers in 38 states are directed to the FFM platform to compare coverage options and to purchase health coverage and, if needed, dental coverage.

Using publicly available data for the 2020 plan year¹ this article highlights the landscape of dental coverage availability in the 38 states with the FFM. The FFM platform provides consumers at varying income levels with access to their states' qualified health plan (QHP) and qualified dental plan (QDP) offerings. An understanding of the current dental benefits landscape provides health insurers, dental insurers, regulators, and lawmakers alike with the insight to identify areas of strength and, conversely, gaps in coverage and market options. In this report we discuss key points regarding the national landscape of child and adult dental benefits in the individual market and highlight a few considerations that impact the ability of consumers to access coverage and make informed choices about dental care. While the publicly available data used does not include states with SBMs, we believe that the conclusions of this article apply broadly across the individual dental market.

Dental coverage as an EHB

The 10 essential health benefits (EHBs) are prescribed in the ACA as a set of required benefits for every plan offered in the individual and small group insurance markets. Still, some

consumers face challenges when it comes to shopping for and choosing dental benefits.

Generally, EHBs—like annual physical exams, prescription drugs, and hospital visits—are covered by a single QHP. Under the ACA's EHB rules, pediatric dental benefits must also be made available to children in one of two ways:

- As an embedded benefit within a QHP
- As a standalone qualified dental plan (QDP)

However, unlike the preventive health EHB that is usually covered in-network at no cost, cost sharing for the pediatric dental EHB is not uniform across QHPs.² In addition, the dental EHB is not extended to adult dental services, so provision of adult dental benefits is entirely optional.

According to the American Dental Association (ADA) Health Policy Institute, both children and adults across all income groups have cited cost as the top reason for not visiting the dentist at the recommended frequency.³ Avoidance of routine dental services has led to emergency department visits for dental conditions, a trend that also applies to avoidance of routine health and wellness visits. Misalignment of pediatric dental coverage and adult dental coverage can present a potentially confusing array of choices for households looking for broad, complete coverage.

Consumers must assess whether a QHP includes the pediatric dental EHB or if a QDP must also be purchased to obtain pediatric dental insurance. If a QHP includes pediatric dental coverage without adult dental coverage, an additional QDP may still be necessary if adults desire a dental benefit plan. Enrollment in two separate plans for members of the same household may lead to disjointed understanding of insurance coverage.

Further, those enrolled in QHPs with embedded dental benefits may not even be aware of these value-added benefits, and those enrolled without embedded benefits may not be able to afford the cost of separate dental coverage in addition to a health plan.

¹ Data.Healthcare.gov. "QHP Landscape PY2020 Individual Medical" and "QHP Landscape PY2020 Individual Dental." Retrieved April 2, 2020, from <https://data.healthcare.gov/>.

² Preventive health and wellness services are only covered at no cost when delivered by in-network providers at in-network facilities.

³ ADA Health Policy Institute. Oral Health and Well-Being in the United States: Commentary – So What? Now What? Retrieved April 2, 2020, from <https://www.ada.org/-/media/ADA/Science%20and%20Research/HPI/OralHealthWell-Being-StateFacts/Oral-Health-Well-Being-Commentary.pdf>.

QHPs

The availability of qualified health plans (QHPs) with embedded dental benefits for children and/or adults varies widely from state to state. Where embedded dental benefits are not common, consumers must navigate the platform to access separate QDP offerings. The table in Figure 1 groups states based on the availability of embedded pediatric and/or adult dental benefits in state QHPs. In six states, no QHPs include dental coverage. In 13 states, QHPs offer an embedded child dental EHB, but no adult dental benefits.

FIGURE 1: EMBEDDED DENTAL BENEFITS FOR CHILDREN AND ADULTS

DENTAL COVERAGE IN QHPs	COUNT	STATES
States with no QHP embedded dental benefits in their market	6	Hawaii, Iowa, Montana, New Hampshire, New Mexico, Utah
States with plans that have embedded pediatric dental benefits but no embedded adult dental benefits	14	Alaska, Alabama, Delaware, Maine, Michigan, North Carolina, North Dakota, Nebraska, New Jersey, Oklahoma, Oregon, South Dakota, Tennessee, Wyoming
States with plans that have embedded adult, but no embedded pediatric, dental benefits	2	Arkansas, Mississippi
States with plans that embed both pediatric and adult dental benefits	8	Georgia, Indiana, Kentucky, Louisiana, Ohio, Virginia, Wisconsin, West Virginia

States with no QHP embedded dental benefits in their market:

The markets in these states have zero QHP plan options with embedded benefits. Consumers in these states will need to purchase separate QDPs in order to have any household members with dental insurance coverage.

States with plans that have embedded pediatric dental benefits but no embedded adult dental benefits: These states have QHP plan offerings with embedded dental, limited to pediatric dental benefits only.

States with plans that have embedded adult, but no embedded pediatric, dental benefits: QHPs in these states offer an add-on benefit for adult dental coverage, but no pediatric coverage.

States with plans that embed both pediatric and adult dental benefits: Consumers in these states have the option to choose a single QHP that embeds both adult and child benefits.

In the remaining eight states—Arizona, Florida, Illinois, Kansas, Missouri, Pennsylvania, South Carolina, and Texas—the market varies greatly for embedded dental benefits. No single plan option embeds coverage for both children and adults. Plans that offer adult dental benefits do so only as an optional add-on.

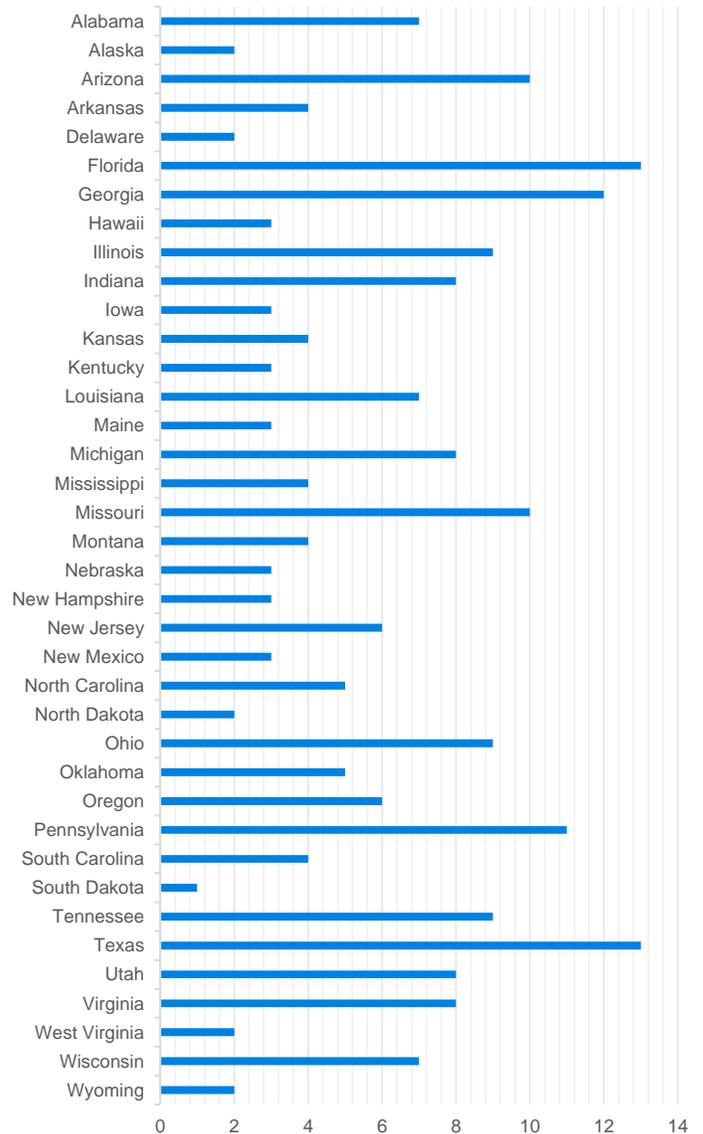
QDPs

Standalone qualified dental plans (QDPs) are another channel for individuals and their households to gain dental insurance coverage. These plans may be offered by health insurance carriers in addition to QHP offerings, but many are offered by plans that specialize specifically in dental coverage.

QDPs cover a wide range of dental services for both children and adults. Consumers shopping on the FFM must be enrolled in a QHP in order to also choose a QDP through the FFM platform.

Child and adult QDP characteristics by state are illustrated in Figures 2 and 3.

FIGURE 2: NUMBER OF QUALIFIED DENTAL PLAN CARRIERS BY STATE



CHILD DENTAL SERVICES

All QDP selections offer comprehensive child dental benefits. This includes regular check-ups, routine fillings and x-rays, and major services. Medically necessary orthodontic coverage is also included in all states except Michigan and Utah, whose benchmark plans exclude orthodontia.

ADULT DENTAL SERVICES

All 38 FFM states have QDP options that cover routine, basic, and major services for adults. While adult dental benefits are not as comprehensively covered, QDPs may be available as a coverage option for adults in states with no embedded adult dental benefits available via QHPs. Figure 3 shows categories of adult dental services covered by QDPs in states where no QHPs embed adult dental services.

FIGURE 3: NUMBER OF QDP OPTIONS BY ADULT SERVICE CATEGORIES IN STATES WITH ZERO QHPs OFFERING EMBEDDED ADULT DENTAL

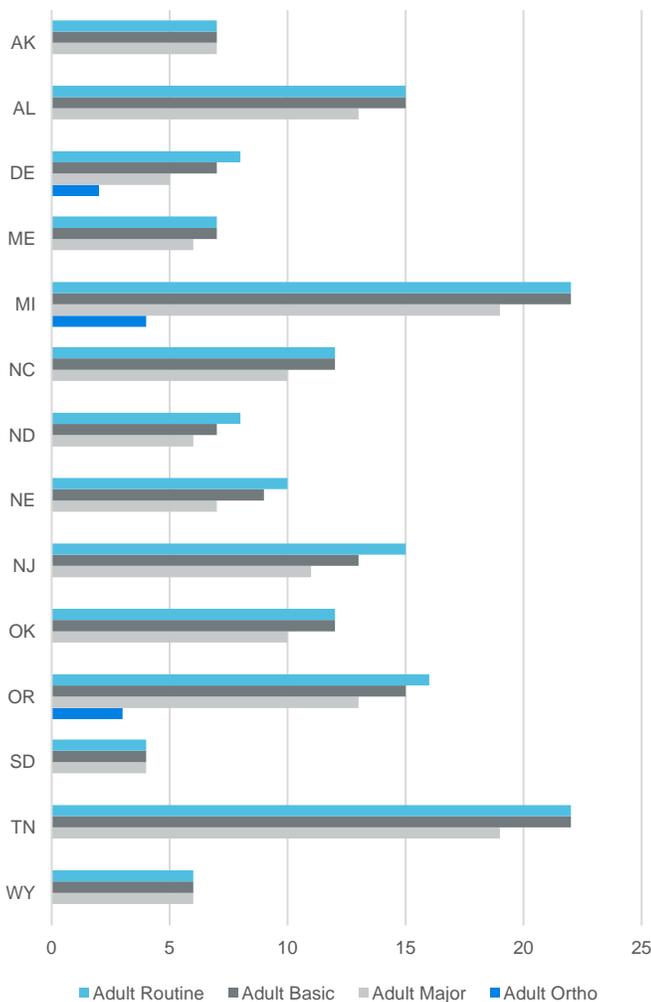


FIGURE 4: ADULT DENTAL SERVICES BY CATEGORY

CATEGORY	SERVICES
Adult Routine	Exams, Cleaning, X-rays, Fluoride
Adult Basic	Emergency Palliative Services, Sealants, Minor Restoration, Extractions, Nonroutine X-rays
Adult Major	Bridges, Endodontics, Dentures, Periodontics, Crowns
Adult Orthodontia	Medically Necessary Procedures

For plans covering adult dental, routine and basic services are typically both covered. Major services are slightly less likely to be covered than routine and basic, and orthodontia is the least likely to be covered due to the high cost but low utilization of services in adults. Covered services within each of these categories are not standardized and can vary by carrier, state, and other plan characteristics.

Variation by plan design

In addition to variation by state, the availability of dental coverage—either on an embedded or standalone basis—varies by the type of plan as well as metallic level.

PLAN TYPE

QHPs fall into four plan types: health maintenance organization (HMO), point-of-service (POS), exclusive provider organization (EPO), and preferred provider organization (PPO). Of the plan types, HMOs most frequently offer embedded adult dental benefits. The prevalence of embedded child dental benefits is more uniform across plan types. Covered services and benefit levels, like cost sharing, vary within each plan type for children and adults.

QDPs also fall into four plan types: EPO, HMO, indemnity, and PPO, with PPO being the most common. PPO plans cover the majority of dental services for children and adults across all states. While the remaining three plan types cover the majority of child dental services, coverage of adult dental services is less common.

QHP METALLIC LEVEL

Metallic level corresponds directly to the benefit richness, or level of coverage, of the plan. Of the four metallic levels—platinum, gold, silver, and bronze, plus catastrophic—dental benefits, especially for children, are most frequently embedded in silver plans. Silver plans typically have the highest enrollment of all metallic levels in the individual market. We attribute this to the availability of cost-sharing reductions at this level, coupled with the application of tax credits. While tax credits can be applied to any QHP, they cannot be applied to QDPs. States use the second-lowest-cost silver plan in their markets to calculate eligibility for tax credits. In some markets, consumers may see tax credits that lower their silver premium to \$0.

Additional considerations

MARKETPLACE POPULATION AND AFFORDABILITY

More than half of the population purchasing coverage through the FFM receives financial assistance⁴ in the form of advance premium tax credits (APTCs) and cost-sharing reductions (CSRs). The lowest-income members of this population may be receiving medical coverage with close to zero out-of-pocket expenses or monthly premium costs. For these consumers, purchasing multiple dental plans to ensure adequate coverage for all family members could be cost-prohibitive. Because the amount of financial assistance received is often just enough to cover the cost of QHPs, the monthly cost of a QDP could, in reality, be exponentially more than the monthly cost of a household's subsidized medical coverage. In this case, embedded dental benefits are a high-value addition to subsidized QHP coverage.

CONSUMER CHOICE

The presence of embedded benefits in a QHP, particularly for adults, does not always ensure comprehensive coverage. Because plans may define each category of dental benefits differently, it can be challenging for consumers to determine how comprehensive dental benefits are and for which costs they will be responsible for paying out of pocket.

Although embedded dental benefits may be present in a state's QHPs, the level of benefits and cost sharing can vary widely, and those details can be difficult to ascertain from the information available at the point of purchase. Further, the need to enroll different family members in different plans in order to access complete dental coverage may be confusing to consumers. Oral health is increasingly regarded as a key component of overall health, and simplified access to dental insurance benefits can help children create, and adults maintain, healthy dental care habits. Plans and the federal government have worked toward a more streamlined shopping experience, but comparing dental benefits across plan types and carriers continues to be challenging for some. Markets that offer few choices for individuals and families, paired with scarce decision supports, may not be yielding positive oral health outcomes.

Special thanks to Nirban Bhatia for his thoughtful contributions to this article.

⁴ At the end of 2019 open enrollment, 87% of consumers in states using the FFM enrolled with financial assistance. See <https://www.cms.gov/newsroom/fact-sheets/health-insurance-exchanges-2019-open-enrollment-report>.



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