

# HOUSE BILL REPORT

## HB 1852

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**As Reported by House Committee On:**  
Health Care & Wellness

**Title:** An act relating to the pediatric oral services essential health benefit category.

**Brief Description:** Addressing the pediatric oral services essential health benefit category.

**Sponsors:** Representatives Caldier, Jinkins, Young, Moeller, Short, Manweller, Hayes, Riccelli, Cody and Tharinger.

**Brief History:**

**Committee Activity:**

Health Care & Wellness: 2/17/15, 2/18/15 [DPS].

**Brief Summary of Substitute Bill**

- Allows pediatric dental coverage to be offered as part of a qualified health plan within Washington's health benefit exchange.
- Requires certain pediatric oral services to be paid for prior to a plan's deductible is reached.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Cody, Chair; Riccelli, Vice Chair; Harris, Assistant Ranking Minority Member; Caldier, Clibborn, Jinkins, Moeller, Robinson and Tharinger.

**Minority Report:** Do not pass. Signed by 5 members: Representatives Schmick, Ranking Minority Member; DeBolt, Johnson, Short and Van De Wege.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Rodne.

**Staff:** Jim Morishima (786-7191).

**Background:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Under the federal Patient Protection and Affordable Care Act (PPACA), most individual and small group health insurance plans must cover 10 categories of essential health benefits, one of which is pediatric dental coverage. The PPACA allows stand-alone dental coverage to be offered in states' health benefit exchanges. If stand-alone dental coverage is offered, states may allow health plans to be offered in their health benefit exchanges that do not cover pediatric dental services.

State law allows stand-alone dental coverage to be offered in Washington's health benefit exchange (also known as the Washington Healthplanfinder). Such coverage must be priced and offered separately to assure transparency to consumers.

In the market outside of the Washington Healthplanfinder, pediatric dental coverage was only allowed to be offered as part of a health benefit plan until December 31, 2014. However, beginning January 1, 2015, pediatric oral coverage is allowed to be offered within a health benefit plan for non-grandfathered individual and small group market plans offered outside of the Washington Healthplanfinder.

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#### **Summary of Substitute Bill:**

Dental benefits inside the Washington Healthplanfinder may be offered within a qualified health plan.

Beginning January 1, 2017, all plans that offer pediatric oral services (both inside and outside of the Washington Healthplanfinder) must pay for the following pediatric oral services before the plan's deductible is reached, unless prohibited by federal law and guidance: pediatric oral services classified as "diagnostic" or "preventive" in the American Dental Association's Code on Dental Procedures and Nomenclature.

#### **Substitute Bill Compared to Original Bill:**

The substitute bill removes "amalgam restorations" and "resin-based composite restorations" from the list of services a plan must pay for before the plan's deductible is reached.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

#### **Staff Summary of Public Testimony:**

(In support) Allowing embedded dental benefits in the exchange will create a fair market. Embedded dental plans have high deductibles, which means that people can have a hard time

meeting the deductible before basic dental services can be covered. Offering a variety of coverage options is in the best interest of kids. This bill will ensure that people have the same choices inside and outside of the exchange and builds on the PPACA's commitment to preventive care. Under the PPACA, health plans must cover preventive care before the deductible is reached. This bill extends this to dental plans.

(In support with concerns) Allowing embedded dental plans in the exchange will provide greater choice and will make the market inside the exchange the same as the market outside the exchange. However, this bill also seeks to affix benefit plan design into statute and require tooth fillings to be treated as if they are preventive care. This will result in almost all pediatric dental services to have first dollar coverage, which will impede the ability of insurers to design PPACA-compliant plans and may lead to higher deductibles.

(Opposed) This bill will set up a non-level playing field and will eliminate price transparency inside the exchange. Currently in the Washington Healthplanfinder, consumers have the ability to choose plans on a fair and level platform. Allowing embedded dental coverage hides the true value and cost of the benefit and sets up a non-competitive, non-transparent experience for consumers. Consumers should be able to understand the true costs of the benefits they are purchasing. Stand-alone dental plans may leave the exchange market were this bill to pass. The mandate to cover restorative care in the bill is too prescriptive and would make it harder for plans to meet the PPACA-mandated actuarial values.

**Persons Testifying:** (In support) Representative Caldier, prime sponsor; and Anne Burkland, Washington State Dental Association.

(In support with concerns) Sydney Smith Zvara, Association of Washington Healthcare Plans; Len Sorrin, Premera Blue Cross; and Chris Bandoli, Regence Blue Shield.

(Opposed) Sean Pickard, Delta Dental of Washington; and Melissa Johnson, Willamette Dental Group.

**Persons Signed In To Testify But Not Testifying:** None.