

HOUSE BILL REPORT

HB 2467

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to dental benefits offered in the Washington state health benefit exchange.

Brief Description: Allowing dental benefits to be offered in the Washington state health benefit exchange separately or within a qualified health plan.

Sponsors: Representatives Jinkins, Manweller, Cody, DeBolt, Green, Lias, Dunshee, Ryu, Tarleton, Goodman, Gregerson, Morrell, Kagi and Ormsby.

Brief History:

Committee Activity:

Health Care & Wellness: 1/20/14, 2/3/14 [DPS].

Brief Summary of Substitute Bill

- Allows embedded dental coverage to be offered in the Washington Healthplanfinder.
- Removes the requirement that dental coverage be priced separately within the Washington Healthplanfinder.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Cody, Chair; Riccelli, Vice Chair; Harris, Assistant Ranking Minority Member; Clibborn, DeBolt, Green, G. Hunt, Jinkins, Manweller, Moeller, Morrell, Ross and Tharinger.

Minority Report: Do not pass. Signed by 2 members: Representatives Schmick, Ranking Minority Member; Van De Wege.

Staff: Jim Morishima (786-7191).

Background:

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 may only be offered as part of a health benefit plan. However, beginning January 1, 2015, the Insurance Commissioner must allow pediatric oral coverage to be offered within a health benefit plan for non-grandfathered individual and small group market plans offered outside of the Washington Healthplanfinder.

Summary of Substitute Bill:

Beginning in 2016, dental benefits offered inside the Washington Healthplanfinder may be offered separately or within a qualified health plan. The requirement that the benefits be priced separately is eliminated.

Substitute Bill Compared to Original Bill:

The substitute bill delays the requirement that embedded dental benefits be allowed in the Washington Healthplanfinder until 2016.

Appropriation: None.

Fiscal Note: Requested on February 4, 2014.

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) This bill will create equity inside and outside the Washington Healthplanfinder by removing the requirement that dental benefits be offered and priced separately inside the Washington Healthplanfinder. This bill will increase the choices available to consumers by allowing them to purchase plans that cover all 10 categories of essential health benefits. Consumers who buy these plans will have one insurance card, one deductible, and one out-of-pocket maximum. This bill will also allow more of a consumer's subsidy to be applied to dental benefits. This bill will force the Washington Healthplanfinder to improve the

shopping process. Allowing more products in the Washington Healthplanfinder will increase access to dental coverage for kids. Families are in the best position to make these choices for themselves.

(Opposed) The consumer should be the focus. Requiring dental benefits to be offered and priced separately increases transparency. Because of the changes coming to the Washington Healthplanfinder, the state should allow the marketplace to slow down before tinkering with the current system. Allowing dental benefits to be embedded will give consumers the impression that the benefit is cheaper than it actually is. This bill will drastically increase a consumer's deductible for pediatric dental benefits. The current law is best in the Washington Healthplanfinder where people have the best ability to compare products.

Persons Testifying: (In support) Sydney Smith-Zvara, Association of Washington Health Plans; Sheela Tallman, Premera Blue Cross; Chris Bandoli, Regence Blue Shield; Bracken Killpack, Washington State Dental Association; and Christina Peters, Children's Alliance.

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

Persons Signed In To Testify But Not Testifying: None.