

# SENATE BILL REPORT

## SHB 2467

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As Reported by Senate Committee On:  
Health Care, February 27, 2014

**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:** House Committee on Health Care & Wellness (originally sponsored by Representatives Jinkins, Manweller, Cody, DeBolt, Green, Liias, Dunshee, Ryu, Tarleton, Goodman, Gregerson, Morrell, Kagi and Ormsby).

**Brief History:** Passed House: 2/13/14, 85-13.

**Committee Activity:** Health Care: 2/27/14 [DPA].

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### SENATE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass as amended.

Signed by Senators Becker, Chair; Dammeier, Vice Chair; Pedersen, Ranking Member; Angel, Bailey, Cleveland and Keiser.

**Staff:** Mich'l Needham (786-7442)

**Background:** Under the federal Affordable Care Act (ACA), most individual and small group health insurance plans must cover ten categories of essential health benefits, one of which is pediatric dental coverage. The ACA 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 exchange, pediatric dental coverage may only be offered as part of a health benefit plan. Beginning January 1, 2015, the Insurance Commissioner must allow stand-alone pediatric oral coverage to be offered in the non-grandfathered individual and small group market plans offered outside of the exchange.

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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.*

**Summary of Bill (Recommended Amendments):** For plan years 2014 and 2015, the exchange board must allow stand-alone dental plans. The benefits must be offered and priced separately.

Beginning in 2016, the exchange board must allow pediatric oral services to be offered only through a stand-alone dental plan or a separately rated stand-alone dental plan that is offered in conjunction with a qualified health plan.

**EFFECT OF CHANGES MADE BY HEALTH CARE COMMITTEE (Recommended Amendments):** The reference to the dental plans is clarified to reflect the pediatric oral services required in federal law; the pediatric oral services must only be offered through a stand-alone dental plan or a separately rated stand-alone dental plan offered in conjunction with the health insurance plan.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Substitute House Bill:** PRO: The bill is not really complicated but the topic is more complicated than it seems at first. Consumers should be able to buy dental plans embedded in their health plan since that helps families manage their out-of-pocket expenses with one deductible. Approximately 97 percent of pediatric dental care is for preventive services like cleanings and fluoride. Buying a separate product for each child and having separate deductibles for health and dental can be a hardship on families. We support the underlying bill and believe pediatric dental should be treated like all the other essential health benefits and be embedded in the health plan. However, we have worked on a compromise amendment that allows some flexibility for the issuers to offer products in different ways. We also support the underlying bill and support the proposed amendment. We support the underlying bill and have concerns with the proposed amendment. All 26 states that use the federal exchange have stand-alone dental plans which presents concerns for consumers. The embedded plans offer more security. The stand-alone plans are not subject to the limit on pre-existing conditions and families have more out-of-pocket expenses. We like the idea of the market being open for consumers to choose how they want to purchase and allow consumers to maximize their health care dollars. We support allowing embedded and stand-alone plans inside and outside the exchange so the market options are consistent inside and outside the exchange.

CON: We have concerns with the underlying bill and the embedded plans. We support the amendment.

OTHER: We have concerns with the underlying bill and believe the pediatric oral services need to be priced and offered separately. This allows the consumers to make an informed choice and compare the premiums. We support the proposed amendment.

**Persons Testifying:** PRO: Representative Jenkins, prime sponsor; Len Sorrin, Premera; Chris Bandoli, Regence BlueShield; Christina Peters, Children's Alliance; Bracken Killpack, Vice President, Government Affairs, WA State Dental Assn.

CON: Sean Pickard, Delta Dental of WA.

OTHER: Melissa Johnson, Willamette Dental Group.