



June 6, 2012

To the COHBE Board of Directors and Executive Director Patty Fontneau:

Anthem appreciates the complexity of the issues surrounding supplemental benefits offered on the exchange, and would like to enter comments concerning the issue of offering pediatric dental benefits options to consumers. Anthem advocates that people buying coverage on the exchange should have a choice of purchasing pediatric dental benefits as embedded in their medical coverage (buying one policy)—the original default of HHS, or purchasing pediatric dental benefits as a stand-alone product, if a stand-alone dental product is available. Anthem argues against **requiring** all qualified health plans offered through the exchange to offer a stand-alone dental benefit. Anthem does agree with the interpretation of the ACA that stand-alone plans may be offered on the Exchange when they provide the essential pediatric dental benefit required by the law.

Some issues Anthem believes should be considered are:

- **Separate offer and pricing of the essential pediatric dental benefit is not required.** HHS states in its final rule that “If an Exchange determines that having QHPs separately offer and price pediatric dental coverage is in the interest of the consumer, as described in §155.1000(c), then the Exchange **may** establish such standard as a condition of QHP certification. Otherwise, QHPs are **not** uniformly directed to separately price and offer pediatric dental coverage under this final rule.” Under the law, QHPs are required to embed the pediatric dental benefit with medical benefits unless a stand-alone plan is available.

**HHS has weighed the consequences and expressed concern about the administrative burden for issuers that could result from separately pricing and offering pediatric dental benefits.** In the July 2011 interim final rule, it notes that “While we recognize that requiring a QHP to price and offer dental benefits separately could promote comparison of dental coverage offerings, we have significant concerns about the administrative burden this could impose on Exchanges and QHP issuers.” Administrative burden would be twofold: the administrative burden/cost from having to split out the benefit/price, and the administrative burden/price from having to coordinate between the QHP and the stand-alone plan regarding out of pocket maximum, premium tax credits, cost-sharing requirements, etc. These burdens would impact consumers. For example, a consumer’s out of pocket expenses or payment towards their deductible for a stand-alone dental benefit would not count towards their out-of-pocket maximum or deductible for medical coverage—in essence imposing two payment thresholds (dental and medical) to meet instead of one.

- It can also be argued that **it is in the best interest of consumers to ensure they have the ability to make only one selection** [via an embedded product] in order to meet the individual coverage requirement versus having to make two selections. And, nothing prevents dental carriers from partnering with medical carriers to provide this benefit on the exchange. Additionally, under the ACA as originally drafted, it was envisioned that consumers would be making only one plan selection with the pediatric dental benefit embedded. And still, under the law, QHPs are required to embed unless a stand-alone plan is available.
- **Comparisons between the costs** of either purchasing a stand-alone dental and a medical plan, or purchasing medical plan with embedded dental plan **would be simple.** A consumer would add the costs of the stand-alone dental plan and medical plan, and compare that to the cost of the medical plan with embedded dental benefits.

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- **Some flexibility and differences in products—allowing choice—is inherent in the exchange.** HHS allows carriers some flexibility in plan designs in order to encourage innovation. Because of this, it is unlikely that every plan will have the same network or cost-sharing, therefore making it unlikely to truly be able to compare plans as the exact same product. Consumers will have to decide what type of plans to buy based upon their individual needs. If price is the largest concern for a consumer, he or she will be able to compare the price of a plan that includes dental with the price of a medical plan with a stand-alone or bundled dental plan.

Thank you for your time and consideration of this issue. We appreciate the opportunity to comment.

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