



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
April 1, 2013

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Representative Luke and Members of the Committee:

SUBJECT: SB 1240 SD2 HD1– RELATING TO PEDIATRIC DENTAL HEALTH
COVERAGE


The State Council on Developmental Disabilities **SUPPORTS SB 1240 SD2 HD1**. The purpose of this bill is to require the Hawaii health connector to provide information that all individuals under age 19 are required to be covered by a plan containing pediatric dental coverage as part of the essential health benefits under the Patient Protection and Affordable Care Act.

The Affordable Care Act (ACA) makes important improvements intended to increase access to dental coverage for children. For the child, a minimum set of benefits known as the essential health benefits will be available in 2014 through ACA. ACA requires that pediatric dental benefits be offered in a qualified health plan. This requirement will ensure that the majority of children will benefit from dental health coverage.

For this reason, we support the proposed language to include pediatric dental benefits as provided under the Federal Act, as indicated on Page 4, Section 2 of the bill.

Thank you for the opportunity to submit testimony in **support of SB 1240 SD2 HD1**.

Sincerely,


Waynette K.Y. Cabral, MSW
Executive Administrator


J. Curtis Tyler III
Chair

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

April 1, 2013

The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
The Honorable Aaron Ling Johanson, Vice Chair

House Committee on Finance

Re: SB 1240, SD2, HD1 – Relating to Pediatric Dental Health Coverage

Dear Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 1240, SD2, HD1, which deals with dental health coverage for individuals under 19-years purchasing insurance through the Hawaii Health Connector. With all due respect, HMSA opposes the current draft of this Bill, but we do support the previous SB 1240, SD2, version of the Bill.

The Center for Disease Control found that childhood tooth decay, despite being preventable, remains the most common chronic disease among American children. In light of this, the US Surgeon General called for increased attention to oral health as a core component of overall health and for the need to reduce oral health disparities.

Better oral health outcomes can be achieved at lower cost if dentally-necessary care is initiated early in childhood, and the Affordable Care Act (ACA) provides an unprecedented opportunity to address the oral health needs of our keiki. The single most significant step toward achieving this is the inclusion of a pediatric dental benefit as part of the essential benefits package. In mandating coverage for pediatric dental services, Congress fully recognized that a child's overall health was not at the exclusion of the child's oral health. We now need to ensure that the ACA is implemented in a way that maximizes the opportunity to realize improved oral health for our keiki.

Final rules on the essential health benefits published in the Federal Register on February 25, 2013, (Vol. 78, No. 37, page 23853) provides a challenge to achieving that goal. While pediatric dental benefits are required to be offered in the health exchange, there is no mandate to purchase those benefits through the exchange. Those regulations, however, conversely require assurances that consumers shopping outside of the exchange have pediatric dental coverage. This creates an inequity between plan requirements within the exchange and requirements offered outside of the exchange.

We believe that it is imperative to correct this inequity and to ensure our children have dental health coverage, as we believe the ACA intended. The prior SB 1240, SD2, version of this Bill specifically required any individual under the age of 19-years who purchases medical coverage through the Connector also to purchase pediatric dental coverage. That pediatric oral health benefit may be purchased as part of the medical plan or via a stand-alone dental plan. That requirement to purchase pediatric dental health coverage before exiting the Connector more truly met the spirit of the ACA and avoids the inequity brought about by the implementing regulations.

Unfortunately, the current HD1 draft of this Bill does not address this inequity. It incorrectly requires the Connector to inform a purchaser of an ACA requirement to have pediatric dental coverage. As discussed above, the regulations only require and Exchange to offer pediatric dental coverage. It does not require the purchase of the benefit. Thus, as drafted, this does nothing to correct the inequity this legislation was intended to address.

We thank the committee for this opportunity to comment on SB 1240, SD2, HD1, and we ask that this Committee consider amending it back to its SD2 version. Thank you very much.

Sincerely,



Mark K. Oto
Director
Government Relations

Testimony of
John M. Kirimitsu
Legal and Government Relations Consultant

Before:
House Committee on Finance
The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
The Honorable Aaron Ling Johanson, Vice Chair

April 1, 2013
2:00 pm
Conference Room 308

SB 1240 SD2 HD1 RELATING TO PEDIATRIC DENTAL HEALTH COVERAGE

Chair, Vice Chairs, and committee members, thank you for this opportunity to provide testimony on SB1240 SD2 HD1 relating to the Hawaii Health Connector providing information that pediatric dental coverage is required under the federal ACA.

Kaiser Permanente Hawaii supports the current draft of this bill.

In its previous draft, Kaiser Permanente opposed this bill mandating the purchase of pediatric dental coverage by consumers under the age of nineteen, sold through the exchange, because we believed that it added unnecessary requirements on the exchange, especially in light of its already short timeframe to go live on October, 2013. Rather, a more sensible approach would be to wait and see how the marketplace reacts after the connector's grand opening. Also of particular concern to Kaiser Permanente was the fact that the exchange itself expressed concerns over the bill, as reflected in its prior written testimony to the Legislature, noting that: "This is a feature of the proposed scheme, which is not found in the existing marketplace and tends to favor plans, which offer embedded dental health benefits".

That being said, Kaiser Permanente supports the current draft of the bill proposing that the exchange inform consumers under the age of nineteen that the pediatric dental coverage is required under the federal ACA. This current draft of the bill, unlike its previous versions, would not disrupt the work of the exchange because the exchange testified that it is already set up to offer this information to consumers:

Pediatric dental health benefits are among the required Essential Health Benefits (“EHB”) under the ACA. To that end the DDI (design, development and implementation plan) plan has included provisions to ensure that consumers who need this coverage will be alerted to this EHB requirement.

Therefore, since this current draft of the bill will not conflict with the current design, development and implementation plan of the exchange, Kaiser Permanente supports this current draft of the bill.

Thank you for your consideration.