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TO THE SENATE COMMITTEE ON WAYS AND MEANS
TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Tuesday, February 26, 2013
10:05 a.m.

WRITTEN TESTIMONY ONLY

TESTIMONY ON SENATE BILL NO. 1240, S.D. 1 – RELATING TO PEDIATRIC DENTAL HEALTH COVERAGE.

TO THE HONORABLE DAVID IGE, CHAIR, AND MEMBERS OF THE COMMITTEES:

My name is Gordon Ito, State Insurance Commissioner (“Commissioner”), testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department takes no position on this bill.

The purpose of the S.D. 1 is to add a new section Hawaii Revised Statutes (“HRS”) chapter 435H governing the Hawaii Health Insurance Exchange that requires all individuals under age 19 to purchase all essential health benefits, including pediatric dental benefits.

Pediatric services are part of the essential health benefits under the federal Patient Protection and Affordable Care Act (“PPACA”). The Department is supportive of all children in Hawaii having pediatric dental benefits coverage.

However, a recent federal regulation allows for health insurers selling on the health insurance exchange (i.e., Hawaii Health Connector) to offer a health plan which does not contain pediatric dental benefits. This requirement should be reviewed to see if this would be considered a new mandated benefit that triggers section 1311(d) (3) of

PPACA, which requires states to defray the additional cost of any benefits in excess of the essential health benefits of the state's qualified health plan.

We thank the Committee for the opportunity to present testimony on this matter.



STATE OF HAWAII
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February 26, 2013

The Honorable David Y. Ige, Chair
Senate Committee on Ways and Means
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Senator Ige and Members of the Committee:

SUBJECT: SB 1240 SD1– RELATING TO PEDIATRIC DENTAL HEALTH
COVERAGE


The State Council on Developmental Disabilities **SUPPORTS SB 1240 SD1**.
The purpose of this bill requires the Hawaii health connector to ensure that all
individuals under age 19 purchase Federal Act essential benefits, including pediatric
dental coverage under a health plan.

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.
However, the benefits are not required to be purchased in Hawaii's Health Connector.

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 offer comments in **support of SB 1240 SD1**.

Sincerely,


Waynette K.Y. Cabral, MSW
Executive Administrator


J. Curtis Tyler III
Chair

Testimony of
Phyllis Dendle
Testimony of Phyllis Dendle

Before:
Senate Committee on Ways and Means
The Honorable David Y. Ige, Chair
The Honorable Michelle N. Kidani, Vice Chair

February 26, 2013
10:05 am
Conference Room 211

SB 1240 SD1 RELATING TO PEDIATRIC DENTAL HEALTH COVERAGE

Chair Ige and committee members, thank you for this opportunity to provide testimony on SB1240 SD1 which expands the required coverage under Federal ACA for pediatric dental coverage.

Kaiser Permanente Hawaii opposes this bill.

The data available demonstrates the value of children getting appropriate dental care. We support having coverage for pediatric dental care available, as required by the federal accountable care act, to all purchasers of health insurance in the exchange.

However, we think this bill should not be passed because it adds a requirement that the federal government determined should be an option. The individuals and families who purchase their health coverage through the exchange are a very price sensitive group. With the high level of insurance coverage we have in Hawaii the relatively small group of possible participants in the exchange should not see any greater financial impact than is necessary. Moreover, given the compressed

timeline in which we need to design the exchange and the lack of clarity regarding the unintended consequences of mandating coverage that is not required by the federal accountable care act, we believe this issue should be deferred until the exchange is operational and we see how the marketplace reacts.

If it is the desire of the legislature to mandate the purchase of pediatric dental coverage we recommend that the law specifically says that dental plans must be purchased separate from health care coverage. As other testimony has noted, across the United States 97% of dental benefits are covered under stand-alone dental plans. Hawaii is not unlike the rest of the nation in this case. It is not at all uncommon for people in Hawaii to select their dental coverage separate from their health coverage. Having all dental plans offered on the Hawaii exchange be stand-alone gives consumers the greatest opportunity to compare benefits and costs and make an informed choice for their children.

Thank you for your consideration.