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Stand-alone Dental Plan Market Rules

(Individual and Small Group Markets)

NOTE: This document was developed as a resource for carriers for product design purposes and to ensure compliance with requirements applicable to Stand-alone Dental Plans. It should be noted, however, that this document should not be used exclusive of other important resources, including, but not limited to, any and all other applicable state and federal insurance laws and associated rules and regulations. It is the responsibility of the carriers to ensure that their products comply with all relevant statutory and regulatory requirements.

1. A stand-alone dental plan (SADP) is required to offer pediatric dental benefits that meet the requirements of the essential health benefits (EHB) package.

2. A separate annual limit on cost-sharing for pediatric dental benefits offered by a SADP is permitted. The SADP covering the pediatric dental EHBs must demonstrate that the annual limit on cost-sharing is reasonable as determined by the Exchange. This annual limit must be calculated without regard to all other EHBs provided by a Qualified Health Plan (QHP) and without regard to out-of-network rules.

3. Most Affordable Care Act reforms, including Medical Loss Ratio requirements, extension of dependent coverage to age 26, mandatory external review, no exclusions for pre-existing conditions, and requirements for a Summary of Benefits and Coverage do not apply to SADPs. The prohibition of annual and lifetime limits does apply.

4. If a SADP offers additional benefits beyond the required pediatric dental benefits, annual and lifetime dollar limits may be applied to those additional benefits.

5. SADPs may not use the Actuarial Value (AV) calculator developed for QHPs, but the SADP must demonstrate that the plan meets an AV of 70 or 85 percent with a de minimis variation of +/- 2% as certified by a member of the American Academy of Actuaries. The AV will be determined only for the pediatric dental benefits that are part of the essential health benefits package. In accordance with 45 CFR 156.200 (c)(2) and 45 CFR 155.1065, SADPs are required to offer a child-only plan with the same AV as its non child-only options.

6. A SADP may offer pediatric dental benefits only (i.e., child-only policy).