

# Minnesota Health Insurance Exchange Plan Certification Guidance For Qualified Dental Plans

February 4, 2013

The purpose of this guidance is to describe the certification requirements intended to apply to limited scope dental plans to be sold on the Minnesota Health Insurance Exchange (“the Exchange”) in 2014 and to QDP issuers with respect to their portfolio of business with the Exchange in 2014. The Exchange refers to certified limited scope dental plans to be sold on the Exchange as Qualified Dental Plans (QDPs).

This guidance also includes information about the certification process and relevant timelines for issuers intending to offer QDPs for sale on the Exchange in 2014. To that end, the Exchange invites issuers of potential QDPs to respond to a forthcoming Request for Information indicating their interest in offering one or more QDPs on the Exchange in October 2013. The RFI will also solicit information from potential issuers of QHPs about their considerations related to offering of dental coverage in the Exchange.

## Certification Requirements for QDPs and Issuers Offering QDPs on the Exchange

Federal law requires that a health insurance issuer offering health plans for sale on the Exchange must have a certification issued by or recognized by the Exchange demonstrating that each health plan it offers on the Exchange is a QHP according to the applicable federal regulations. 45 C.F.R. §§ 156.200-156.295. Additionally, federal law requires that the Exchange have in place a process to ensure that QHP issuers meet various other requirements. 45 C.F.R. §§ 155.410(b), 155.1020(c), and 155.1055. The Exchange must also allow the offering of a limited scope dental benefits plan through the Exchange if “the plan and issuer of such plan meets QHP certification standards, including §155.1020(c), except any certification requirement that cannot be met because the plan covers only” the pediatric dental essential health benefit.

In order to meet these federal requirements, the Exchange intends to primarily rely upon voluntary extension and application of existing provisions of state law to QDPs offered for sale on the Exchange in 2014 and, where applicable, to QDP issuers with respect to their portfolio of business with the Exchange in 2014. By utilizing this approach, the Exchange will leverage the capacities of existing state regulatory agencies to carry out most components of the certification process, while directly carrying out only some components.

### 1. QHP issuer participation standards

- A. An issuer, with respect to its portfolio of business with the Exchange, must be recognized by the Exchange to demonstrate that each health plan it offers in the Exchange is a QHP. 45 C.F.R. § 156.200 (a). The Exchange will provide such

notice to issuers. QDP issuers must also meet a parallel requirement that each dental plan it offers in the Exchange is a QDP.

B. QHP issuers must ensure that each QHP complies with benefit design standards, as defined in Sections 2707 and 1302 of the Patient Protection and Affordable Care Act. 45 C.F.R. §§ 156.20 & 156.200 (b)(3). QDP issuers must also meet a parallel requirement and cover benefits included in the pediatric oral health benefit set. The Department of Commerce will assess compliance with benefit design standards for insurance companies through its form review process, while the Department of Health will assess compliance with benefit design standards for HMOs.

C. QHP issuers must be licensed and in good standing to offer health insurance in each state in which it provides coverage. 45 C.F.R. § 156.200 (b)(4). QDP issuers must also meet a parallel requirement to be licensed and in good standing. Minnesota Statutes, Chapter 62D.03 will provide the applicable licensing certification standard for HMOs, while Minnesota Statutes, Chapters 60A.07 and 62C.08 will provide the applicable licensing certification standards respectively for insurance companies and service plan corporations.

D. QHP issuers, with respect to their portfolio of business with the Exchange, are required to implement and report on a quality improvement strategy or strategies consistent with the standards of the ACA, disclose and report information on health care quality and outcomes, and implement appropriate enrollee satisfaction surveys. 45 C.F.R. § 156.200 (b)(5). The Center for Consumer Information and Insurance Oversight (“CCIIO”) has informed states that these provisions will not be effective under federal rule until 2016. Minnesota will not have requirements related to quality improvement strategies, reporting of health care quality, or implementation of enrollee satisfaction surveys as part of the certification process during 2013.

E. Each QHP issuer must offer at least one QHP in the silver coverage level and at least one QHP in the gold coverage level and a child-only plan. 45 C.F.R. § 156.200 (c) (1-2). QDP issuers will also need to meet parallel offering requirements. Actuarial value levels are, however, measured and described differently for QDPs under federal regulations and thus offering requirements for QDPs are structured consistent with federally defined actuarial value levels. Each QDP issuer offering QDPs for sale on the Exchange must offer at least one QDP at the low actuarial value level and at least one QDP in the high actuarial value level. QDPs must offer a child-only plan and may choose to offer the opportunity to buy up to family coverage. At this time, the Exchange will not facilitate the sale of adult-only QDPs on the Exchange. The Exchange will evaluate whether these offering requirements are met prior to permitting a QDP issuer to offer any approved QDPs on the Exchange.

F. QHP issuers may not discriminate on the basis of race, color, national origin, disability, age, sex, gender identity, or sexual orientation. 45 C.F.R § 156.200 (e). QDP issuers must also meet a parallel requirement of non-discrimination. Minnesota Statutes 72A.20 and 62D.12 will serve as the non-discrimination certification standard for QDPs.

## 2. QDP Rate and Benefit Information

QDP issuers, with respect to their portfolio of business with the Exchange, must set rates for the entire benefit year or for the SHOP, plan year. 45 C.F.R. § 156.210. QDP issuers must submit required justification for rate increases in advance and post justifications on their website. The Exchange must receive annual updates from issuers regarding rates, covered benefits, and cost sharing requirements of each QDP. 45 C.F.R. § 155.1020 (c). QDP rates and benefits will be reviewed through existing established form and rate review processes established in state law by the Minnesota Departments of Commerce and Health. In addition, small employers will be required to comply with participation requirements in Minnesota Statutes 62L.03, Subd. 3 in order to be eligible for guaranteed issue of the QDP.

## 3. Marketing and Benefit Design of QDPs

A QHP issuer and its officials, employees, agents, and representatives, with respect to their portfolio of business with the Exchange, must comply with applicable state laws regarding marketing and may not employ marketing practices that discourage enrollment of people with significant health needs. 45 C.F.R. § 156.225. QDP issuers must also meet a parallel requirement related to marketing and benefit design. Minnesota Statutes 62Q.77, 62Q.79, and 72A.20 will serve as the certification criteria for marketing for QDPs. The Exchange will use existing processes at the Departments of Commerce and Health respectively to oversee compliance with these provisions.

## 4. Network Adequacy and Provider Directories

### A. Network Adequacy

QHP issuers, with respect to their portfolio of business with the Exchange, must ensure that QHP provider networks are sufficient in number and types of providers, including mental health and substance abuse providers, to assure that all services are accessible without unreasonable delay. 45 C.F.R. § 156.230.

QDP issuers must also comply with a parallel requirement for network adequacy. QDP issuers will be required to ensure that dental service providers are available within 60 miles or 60 minutes transport time. The Department of Health will perform network adequacy review for QDPs.

### B. Provider Directories

QHP issuers are required to make a provider directory for a QHP available to the Exchange for publication online in accordance with guidance from the Exchange and to potential enrollees in hard copy upon request. 45 C.F.R. § 156.230(b).

QDP issuers will be required to file a provider network at the time of QDP filing, update it shortly before the open enrollment period begins, and update it on a regular interval (at

least monthly or quarterly) throughout a benefit year. The provider network information filed by QDP issuers will form the basis of an Exchange consolidated provider directory. The Exchange is working with the Departments of Health and Human Services to build a unified provider information data collection system and will consult with issuers as we move forward with system development.

## 5. Essential Community Providers

A QHP issuer, with respect to its portfolio of business with the Exchange, must have a sufficient number and geographic distribution of essential community providers, where available, that serve predominantly low income, medically underserved individuals. A staff model health plan or integrated delivery system plan that contracts with a single medical group must have a sufficient distribution of providers to ensure reasonable and timely access for low-income, medically underserved individuals in its service area. 45 C.F.R. § 156.235.

QDP issuers will also need to meet a parallel requirement related to essential community providers. Minnesota Statutes, section 62Q.19 will function as the certification standard related to essential community providers for QDPs sold on the Exchange. Minnesota Statutes, section 62Q.19 requires all health plan companies to offer contracts to state designated essential community providers within their service areas.

## 6. Service Area

QHP service areas must cover a minimum geographical area that is at least an entire county or group of counties unless the Exchange determines that serving a smaller area is necessary, nondiscriminatory, and in the best interest of enrollees. A QHP service area must be established without regard to racial, ethnic, language, health status related factors, or other factors that exclude specific high utilizing, high cost, or medically underserved populations. 45 § C.F.R. 155.1055.

QDPs will need to meet a parallel requirement for service areas. The Exchange will generally require that a QDP service area is at least an entire county. The Exchange will consider exceptions to the county service area requirement to the extent an issuer demonstrates the sub-county service area is necessary, non-discriminatory, and in the best interests of enrollees. The Department of Health will review sub-county service areas based on these criteria and all service areas to ensure they have been established without regard to racial, ethnic, language, health status related factors, or other factors that exclude specific high utilizing, high cost, or medically underserved populations.

## 7. Other Requirements

QDPs must be offered on a guaranteed availability basis, consistent with provisions of proposed federal rules related to Health Insurance Market Rules (45 § C.F.R. 147.104).

QDP issuers may also only vary premiums for a QDP in accordance with the rating factors and limitations used for varying QHP premiums. QDP issuers, with respect to their portfolio of business with the Exchange, are also required to comply with 45 C.F.R. §§ 156.220, 156.250, 156.255, 156.260, 156.265, 156.270, 156.285, and 156.290.

#### Timelines and Process for Participation in the Exchange Open Enrollment Process

The presence of QDPs on an Exchange offers flexibility to issuers of QHPs to determine whether or not to include pediatric oral health services as a bundled part of their benefit sets encompassing all aspects of EHB, including pediatric dental. A QDP could potentially be offered through either a separate stand-alone dental plan that could be purchased along with any QHP offered in a particular service area or through an endorsed plan attached to a specific QHP. Carriers should be aware the Exchange has concerns about the ability of the Exchange information technology infrastructure to support the sale of endorsed limited scope dental plans by October 2013.

The Exchange would like to better understand the extent of interest from issuers of limited scope dental plans in offering QDPs that would meet these certification criteria. The Exchange is also interested in feedback from potential QHP carriers about their considerations in how they might choose to structure dental coverage and whether they might wish to offer an endorsed limited scope dental plan. We intend to issue a RFI shortly to solicit input from both potential QDP and QHP issuers. Responses to the RFI will be due on March 1, 2013.

Filing of potential QDPs must occur by April 30, 2013 in order to facilitate the certification process being completed in time for the QDP to be offered during the October 2013 open enrollment period. QDPs can be filed at any time, but a filing made after April 30 will not have priority treatment for the October 1 open enrollment period. In addition, QHPs and QDPs to be offered during the open enrollment period must be certified prior to the beginning of the open enrollment period.

We anticipate it may be necessary to issue additional guidance about aspects of the QDP certification process and structure of dental coverage based on input obtained through the RFI and as the Exchange works with its information technology vendors in developing the Exchange IT infrastructure.

Please contact Katie Burns, Exchange Plan Management and Quality Director, with any questions you may have. You may reach Ms. Burns at 651-296-6588 or [Katie.burns@state.mn.us](mailto:Katie.burns@state.mn.us).