

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

BULLETIN 2014-08-INS

In the Matter of

2015 Form and Rate Filing Requirements
for Stand-Alone Dental Plans

**Issued and entered
this 27th day of March 2014
by Annette E. Flood
Director**

This bulletin supersedes Bulletin 2014-07-INS, issued March 26, 2014.

**SECTION 1: CERTIFICATION AND RECERTIFICATION PROCESS AND STANDARDS FOR
STAND-ALONE DENTAL PLANS (SADPs)**

General Information and Timelines

The Department of Insurance and Financial Services (DIFS) will continue to perform Plan Management functions for the 2015 plan year. Plan Management functions are part of DIFS' regulatory role for products offered on and off the Marketplace. Issuers will work directly with DIFS to submit all SADP application data in accordance with federal and state guidelines. The System for Electronic Rate and Form Filing (SERFF) will be used by issuers to transmit information to DIFS, and DIFS will use SERFF to transmit information to the Centers for Medicare & Medicaid Services (CMS).

New Plans and Recertification of 2014 SADPs

For the 2015 plan year, DIFS' process for recertifying an SADP will largely mirror the 2014 initial certification process. New plans and plans being recertified will be required to submit much of the same information. ***Accordingly, this bulletin addresses only those areas where guidance has changed from 2014 or where additional clarification is necessary.*** The omission of any particular federal or state requirement from this bulletin should not be construed to mean that compliance with those requirements is not necessary. For additional guidance, issuers are urged to refer to the [CMS 2015 Letter to Issuers in the Federally-Facilitated Marketplaces](#) dated March 14, 2014 (CMS 2015 Letter to Issuers).

Timeline for SADP Filings

SADP dental submissions will follow the same timelines as Qualified Health Plan (QHP) submissions, as follows:

Activity		Dates
SADP Application Submission and Review Process	Michigan Filing Deadline	06/09/2014
	DIFS Transfers Plan Data to CMS	08/08/2014*
	CMS Reviews Plan Data	08/11/2014 to 08/25/2014*
	CMS Notifies DIFS of Necessary Corrections to SADP Data	08/26/2014*
	Final Deadline for Issuers to Resubmit Data Into SERFF	09/04/2014*
	DIFS Transfers Revisions to CMS	09/05/2014 to 09/10/2014*
	CMS Completes Re-Review of Plan Data and State Recommendations	09/22/2014*
	Limited Window for Plan Correction	09/24/2014 to 10/06/2014*
SADP Agreement/Final Certification	Certification Notices and SADP Agreements Sent to Issuers, Agreements Signed, SADP Data Finalized	10/14/2014 to 11/03/2014*
Open Enrollment		11/15/2014
*All dates based on CMS functions are subject to change		

2015 SADP Filing Requirements

See Exhibit 1. SADP issuers must submit the required Templates as outlined in Exhibit 1 and as shown on page 32 of the [CMS 2015 Letter to Issuers](#).

Michigan Rates and Forms Checklist (Revised for 2015)

Each SADP filing must include the 2015 DIFS Forms Checklist and the 2015 DIFS Rate Checklist. Requirements for Essential Health Benefit (EHB) pediatric benefits are listed in Section 10 of the DIFS Forms Checklist. The Checklist must be filed in SERFF under the Supporting Documentation tab in both the rate/forms and Binder filings. The Checklist must be filed in Excel and as a PDF document.¹

Revisions to Previously-Approved SADPs: Red-Lined Versions

Issuers making forms revisions to previously approved SADPs must provide red-lined versions. This should be filed under the Forms tab of the SERFF filing.

SERFF Filings

Issuers should be aware that all product filings submitted via SERFF (on- and off-Marketplace) are considered to be public immediately upon being filed in SERFF. This is a change from the transitional filing process that was established for the 2014 coverage year only.

Only one Business Rules Template needs to be completed, to include both individual and small group plans. However, the Business Rules Template should be submitted in both the individual and small group SERFF filings and binders.

Product Withdrawal and Uniform Modification

CMS has proposed standards regarding product modifications and what would constitute uniform modifications and what, alternatively, constitutes the withdrawal of the existing product and the creation of a new product. Any changes made pursuant to federal or state law requirements—such as increases to annual limits on cost sharing—would be considered a uniform modification rather than a product withdrawal. Modifications not required by law would be considered modifications of coverage if they meet all of the following criteria:

- The product is offered by the same issuer;
- The product is the same product type (e.g., PPO or HMO);
- The product covers the majority of the same counties in its service area;
- The product has the same cost-sharing structure, except for variations in cost-sharing related solely to the utilization or cost of medical care necessary to maintain the same metal level of coverage; and

¹ To convert an Excel document to a .pdf, select File and then Print. Under the print settings section, adjust the orientation and scale until the contents are legible. If the Excel document has multiple worksheets, perform these adjustments for each worksheet. When finished adjusting, select File, then Save As. Change the Save As type to PDF and select the Save button.

- The product provides the same covered benefits, except for changes in benefits not attributable to legal requirements that cumulatively affect the rate for the product by no more than two percent.

DIFS will apply these standards to all plans submitted for the 2015 year, whether offered on or off the Marketplace.

SECTION 2: CERTIFICATION STANDARDS

Licensure and Good Standing

DIFS will review the licensure status of all issuers filing SADPs.

Service Area

With regard to on-Marketplace plans, CMS requires that any partial service areas (geographic areas smaller than a county) offered on the Marketplace be established without regard to racial, ethnic, language, or health status related factors. Issuers with partial service areas must submit a partial service area justification in the supporting documentation tab of the binder. Issuers should refer to the CMS Service Area Partial County Justification Cover sheet located in the Supporting Documentation tab in SERFF for instructions regarding acceptable reasons for partial service areas. Partial service area requests will be reviewed on a case-by-case basis. Issuers of on-Marketplace plans are urged to refer to the CMS [2015 Letter to Issuers](#) dated March 14, 2014, for additional guidance.

Network Adequacy

DIFS will collect network detail on the [Michigan Network Data Template](#). The Network Data Template is required for all networks, including dental-only networks, and is available with accompanying instructions in SERFF and on the DIFS website at: <https://www.michigan.gov/difs/forms/insurance>. The template has been updated to allow issuers the expanded data capacity to include providers with multiple sub-specialty health services. Narrowed and tiered networks will be reviewed using the template. All network reviews are subject to CMS oversight. Issuers should review DIFS' recently updated Michigan Network Adequacy Guidance at the above link for more information.

Essential Community Providers

Issuers of on-Marketplace plans should refer to chapter 2, section 4, pp. 18-24, of the CMS [2015 Letter to Issuers](#) for current Essential Community Provider requirements.

SECTION 3: BENEFIT DESIGN (APPLICABLE TO ALL SADPs)

Guaranteed Renewability

All group and individual SADPs must comply with federal and state law regarding guaranteed renewability, including all applicable federal regulations and guidance and DIFS Bulletin 2011-17-INS.

Actuarial Value (AV) Requirements

Under 45 C.F.R §156.150, all individual and small group SADPs offered on and off the Marketplace must have an actuarial value of 70% (low) or 85% (high) with a *de minimis* variation of +/-2 percentage points. All SADP issuers must include a certification by a member of the American Academy of Actuaries of the plan's actuarial value.

Marketplace Certification

All stand-alone dental products intended to be EHB-compliant must be Marketplace-certified, even if the plan will not be marketed through the Marketplace. The only SADPs that can refer to EHB benefits or be identified as having a "high" or "low" value are those that have followed the certification process and have been approved and recommended for certification to CMS.

Out-of-Pocket Maximums

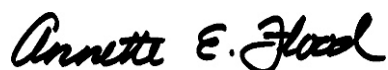
The out-of-pocket maximums for Marketplace-certified SADPs are \$350 for one covered child and \$700 for two or more covered children.

Benefit Enhancement in Excess of EHB

Issuers of SADPs may offer enhanced benefit and benefit payment arrangements. These enhanced arrangements are limited to non-EHB pediatric oral benefits only.

Any questions regarding this bulletin should be directed to:

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