

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

**Bulletin 2019-05-INS**

**In the matter of**

2020 Form and Rate Filing  
Requirements for Stand-Alone Dental Plans

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**Issued and entered  
this 21<sup>st</sup> day of March 2019  
by Anita G. Fox  
Director**

Information in this Bulletin is subject to change as federal guidance is finalized. **The *final Letter to Issuers in the Federally-Facilitated Exchanges and Notice of Benefit and Payment Parameters have not yet been issued.*** Issuers are strongly urged to routinely check the Department of Insurance and Financial Services (DIFS) website and the System for Electronic Rate and Form Filing (SERFF) state messages for updates.

**SECTION 1: CERTIFICATION AND RECERTIFICATION FILING REQUIREMENTS  
FOR STAND-ALONE DENTAL PLANS (SADPs) ON- AND OFF-MARKETPLACE**

**General Information**

DIFS will continue to perform Plan Management functions for the 2020 plan year (PY20). Plan Management functions are part of DIFS' regulatory role for products offered on- and off-Marketplace. Issuers will work directly with DIFS to submit all Stand-Alone Dental Plan (SADP) application data in accordance with federal and state guidelines. 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).

Issuers will again be required by CMS to register for the [CCIO Plan Management Community](#). This platform will be utilized to issue all notices, including corrections and notification notices.

**New Plans and Recertification of SADPs**

For PY20, DIFS' process for certification and recertification of a SADP is consistent with the process used in prior plan years. Issuers submitting previously-approved plans for recertification will be required to submit much of the same information as for prior plan years. Issuers submitting plans for certification for the first

time should review the pertinent federal and state guidance. **The omission of any 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 [2020 Draft Letter to Issuers in the Federally-facilitated Exchanges](#) (Draft Letter).

## **PY20 SADP Filing Requirements**

A complete submission includes SERFF Form/Rate filing and Binder, with all required validated templates and associated items, as outlined in Exhibit 1. Issuers are required to run the PY20 QHP Application Tools and Data Integrity Tool for the initial and any subsequent template submissions. Please note: only one Business Rules Template needs to be completed. The one template will include both individual and small group plans. However, the Business Rules Template must be submitted in both the individual and small group SERFF Form/Rate filing and Binder.

## **Stand-Alone Dental Checklist Requirements**

Checklists that must be completed and filed as shown in Exhibit 1 are:

- Checklist for Individual and Small Group SADP – Forms ([FIS 2305](#));
- Checklist for Individual and Small Group SADP – Rates ([FIS 2304](#)); and
- Checklist for Individual and Small Group SADP – Network Adequacy ([FIS 2314](#)).

## **SERFF Filings**

All filings submitted via SERFF (on- and/or off-Marketplace) are considered to be public immediately upon being filed in SERFF.

All federal and Michigan-specific templates must be filed in Excel (xlsm) formats. Do not submit templates in PDF. Additionally, do not submit templates in the Supporting Documentation tab of the Binder, except for the Plan ID Crosswalk and MI Network Data templates.

## Timeline for SADP Submissions

Activity		Dates
SADP Application Submission and Review Process	Michigan Filing Deadline	<b>5/15/19</b>
	DIFS 1 <sup>st</sup> transfer of plan data to CMS	<b>6/19/19</b>
	DIFS 2 <sup>nd</sup> transfer of plan data to CMS	<b>7/24/19</b>
	CMS releases 1 <sup>st</sup> correction notices	<b>8/9/19</b>
	Service Area Petition deadline	<b>8/12/19</b>
Final Review	DIFS final transfer of plan data to CMS	<b>8/21/19</b>
	CMS reviews final SADP applications	<b>8/27/19 to 9/9/19</b>
SADP Agreement/ Final Certification	CMS posts SADP Agreements, plan lists and sends final correction notices; Issuers send signed agreements	<b>9/16/19 to 9/24/19</b>
	Limited data correction window and last date to withdraw plans	<b>9/19/19 to 9/20/19</b>
	DIFS sends final plan recommendations	<b>9/16/19 to 9/24/19</b>
	CMS sends Certification Notices	<b>10/3/19 to 10/4/19</b>
<b>Open Enrollment</b>		<b>11/1/19 to 12/15/19</b>

## Revisions to Previously-Approved SADPs: Red-Lines Versions

Issuers revising previously-approved SADP forms must provide red-lined versions, as well as clean versions. The red-lined and clean versions should both be filed under the Forms Schedule tab of the SERFF Form/Rate filing under the same document number. **Please note:** Forms not being revised must still be submitted.

## File Naming

Certain items under the Supporting Documentation tab in the Form/Rate filing and/or the Binder filing must adhere to a standard naming convention as follows: IssuerName\_MIFormDescription\_Version#.

The purpose of adherence to a standard naming convention is to have the ability to track new versions as they are updated on the system. It is important to start with Version 1 and use the same issuer name and form description in the file name each time. In addition, all review tools must be run each time a template is revised.

Items that are required to have a standard naming convention are:

- DIFS SADP Forms Checklist;
- DIFS SADP Rates Checklist;
- DIFS SADP Network Adequacy Checklist;
- MI Network Data Template;
- Rates Table Template;
- Actuarial Memorandum;
- MI Uniform Modification Justification form;
- Justifications and Attestations;
- Any document that is amended from its original version that is not automatically versioned through SERFF.

## Guaranteed Renewability

Although SADPs are considered excepted benefits, and therefore not subject to federal guaranteed renewability requirements, CMS will apply certain guaranteed renewability standards to SADPs.

## Product Withdrawal

Plans may be withdrawn in accordance with the timeline published in the [Draft Letter](#). The final opportunity to withdraw plans will be during the plan confirmation process. Issuers opting to withdraw must submit the following in both the SERFF Form/Rate filing and Binder:

1. A completed CMS Plan Withdrawal form for plans offered either on-Marketplace or on- and off-Marketplace **or** a list of plans to be withdrawn for those offered off-Marketplace only;
2. A letter to the DIFS Director outlining the issuer's intent and how it will comply with both state and federal guaranteed renewability and availability requirements; and
3. A copy of the proposed letter that will be sent to enrollees/consumers outlining the issuer's intent and detailing **all** options available to the enrollee/consumer, including seeking coverage from a different issuer. This letter must not be sent to enrollees/consumers until approved by DIFS.

**Note:** Do not make changes to templates.

### **Uniform Modification and Plan ID Crosswalks**

DIFS requires that the Michigan Uniform Modification Justification form ([FIS 2316](#)) and Plan ID Crosswalk be submitted as shown on Exhibit 1.

CMS requires that the Plan ID Crosswalk Template, together with authorization from DIFS, be submitted to [CCIIO Plan Management Community](#) for SADPs in the individual market. The deadline for this submission will be posted soon at the PM Community website.

### **Licensure and Good Standing**

DIFS will review the licensure status of all issuers filing SADPs on- and/or off-Marketplace.

### **Annual Limit on Cost-Sharing**

The PY20 out-of-pocket maximums for Marketplace-certified SADPs are \$350 for one covered child and \$700 for two or more covered children.

### **Service Area**

An issuer may not make service area changes after the initial submission to DIFS, unless the issuer petitions CMS for a data change and receives CMS approval, even if the change is in response to direction from DIFS or CMS. Petitioning CMS requires submitting a data change request which includes a signed Data Change Request Form, justification for the change, and evidence of state authorization by August 12, 2019, to allow CMS enough time for review. Upon CMS' approval of the petition, and prior to the final data submission deadline, issuers must submit documents and templates impacted by service area change in SERFF Binder.

Please see [QHP Certification Application Materials](#) for information about what constitutes a service area change, to access required forms, and other service area related resources.

CMS requires that any partial service areas (geographic areas smaller than a county) must be established without regard to racial, ethnic, language, or health status factors, or other factors that exclude specific high utilizing, high cost or medically underserved populations. Issuers with partial service areas must submit a partial service area justification in the Supporting Documentation tab of the SERFF Binder. Issuers should refer to the CMS Service Area Partial County Justification Instructions regarding acceptable reasons for partial service areas. Partial service area requests will be reviewed on a case-by-case basis.

### **Network Adequacy**

For PY20, the standard for network adequacy review is unchanged from PY19 and the [Michigan Network Adequacy Guidance](#) reflects network sufficiency standards and requirements. See also [Network Data Template Instructions](#) and [Checklist for Individual and Small Group SADP Plans – Network Adequacy](#).

### **Essential Community Providers**

For PY20, the review of Essential Community Providers (ECP) is unchanged from PY19. For ECP requirements, see the [Draft Letter](#) and the [Proposed Notice](#).

## **SECTION 2: CONTRACT REQUIREMENTS**

### **Readability**

Submitted forms must comply with the following readability standards found under MCL 500.2236(3):

1. Each form entered in the SERFF Forms Schedule tab shall include the form's readability score.
2. The readability score must be based on the Microsoft Word Flesch Reading Ease test and have a score of 45 or higher. Forms with a Microsoft Word Flesch Reading Ease score lower than 45 will not be approved by DIFS or transferred to CMS for certification.
3. Dental policies and certificates with more than 3,000 words printed on not more than three pages, or more than three pages of text regardless of the number of words, shall contain a table of contents. (This requirement does not apply to riders or endorsements.)
4. Be printed in font size not less than 10 point.

## **Dependent Coverage**

Essential Health Benefit (EHB) coverage for pediatric services is required for enrollees until at least the end of the month in which the enrollee turns 19 years of age.

## **Internal Formal Grievance and External Review Procedures**

SADPs offered by commercial issuers must offer a formal grievance procedure pursuant to MCL 500.2213 and adhere to the external review process under the Patient's Right to Independent Review Act (PRIRA), PA 251 of 2000 (MCL 550.1901 to 550.1929). These procedures must be part of the policy and submitted for approval with the SADP filing. If the issuer has DIFS-approved grievance and external review procedures, these must be filed under the Supporting Documentation tab of the SERFF Form/Rate filing.

Complaint and Grievance Procedures must include the DIFS [PRIRA](#) link in addition to the DIFS fax number, email address, and mailing address.

## **Marketplace Certification**

All SADPs intended to be EHB-compliant must be Marketplace-certified, even if the plan will not be marketed on-Marketplace. The only SADPs that can be considered to provide EHB must have followed the certification process and have been approved and recommended for certification to CMS.

## **Benefit Enhancement in Excess of EHB**

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

## **SECTION 3: RATING**

DIFS will **not** accept more than one filing per market (individual or small group). Issuers that offer various types of offerings, such as on- and off-Marketplace or pediatric and adult, must submit all filings in the same Form/Rate filing. SADP issuers may submit more than one actuarial memorandum or format their actuarial memorandum to adequately address their entire filing.

All SADP issuers must complete a separate Rates Table Template for individual and small group markets. For all plans other than the FF-SHOP plans, rates should be identified as either "guaranteed" or "estimated" in the Plans and Benefits Template and can either be individually age rated or family tier rated. For FF-SHOP plans, rates must be "guaranteed" and individually age rated.

Per the [Proposed Notice](#), issuers may offer pediatric dental EHBs at any actuarial value (AV). SADP issuers must, however, certify the AV of each SADP coverage.

SADP Michigan rate filings must include the following components:

- Rate manual showing only **Michigan-specific** rates;
- Sample rate calculation;
- Michigan Rate Checklist for SADPs;
- Actuarial memorandum addressing items from the Michigan Rate Checklist, including but not limited to:
  - Description and exhibits showing the development of rates from the experience;
  - Derivation of the EHB apportionment percentage for pediatric dental (individual plans only).

Any questions regarding this bulletin should be directed to:

Department of Insurance and Financial Services  
Office of Insurance Rates and Forms  
530 West Allegan Street, 7<sup>th</sup> Floor  
Lansing, Michigan 48933  
Toll Free: (877) 999-6442

/s/

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Anita G. Fox  
Director





## Exhibit 1

### PY20 Stand-Alone Dental Filing Requirements

Federal Required Templates	Requires Submission via SERFF	SERFF Location
Essential Community Providers/Network Adequacy	Yes	Binder only
Plans and Benefits	Yes	Binder only
Service Area	Yes	Binder only
Network ID	Yes	Binder only
Rates Table	Yes	Form/Rate Filing & Binder
Business Rules – One per Issuer, include both Individual and Small Group on the same template	Yes	Form/Rate Filing & Binder
Plan ID Crosswalk (Individual only) *	Yes	Binder only
Michigan Required Documents		
Michigan Network Data Template *	Yes	Binder only
Checklist for Individual and Small Group Stand-Alone Dental Plans – Forms	Yes	Form/Rate Filing & Binder
Checklist for Individual and Small Group Stand-Alone Dental Plans – Rates	Yes	Form/Rate Filing & Binder
Checklist for Individual and Small Group Stand-Alone Dental Plans – Network Adequacy	Yes	Binder only
Company Actuarial Memorandum	Yes	Form/Rate Filing & Binder
MI Uniform Modification Justification Form	Yes	Form/Rate Filing & Binder
<b>Filing Deadline</b>	<b>5/15/2019</b>	

**NOTE:** All required templates must be completed and, if applicable, validated before filing. Use of the PY20 QHP Application Tools and Data Integrity Tool is required for the initial template and any subsequent template submissions. All Template revisions must be uploaded to the same locations as originally filed (i.e., SERFF Form/Rate Filing, Binder or BOTH). \*With the exception of the Plan ID Crosswalk and MI Network Data templates, **do not** submit templates in the Supporting Documentation tab of the Binder.