

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 228

(Chair, Finance Committee)(By Request - Departmental -
Maryland Insurance Administration)

Finance

Health and Government Operations

Maryland Health Benefit Exchange - Qualified Health Plans - Dental Coverage

This departmental bill repeals a provision of law that specifies that a qualified health plan (QHP) is not required under certain circumstances to provide essential benefits that duplicate the minimum benefits of qualified dental plans (QDPs). As a result, all QHPs sold through the Maryland Health Benefit Exchange (MHBE) must include pediatric dental benefits. Accordingly, the bill also repeals the authority of MHBE to require children enrolling in a QHP to have specified essential pediatric dental benefits. **The bill takes effect January 1, 2025, and applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after that date.**

Fiscal Summary

State Effect: The bill does not substantively change State activities or operations.

Local Effect: None.

Small Business Effect: The Maryland Insurance Administration (MIA) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law: The federal Patient Protection and Affordable Care Act (ACA) requires nongrandfathered health plans to cover 10 essential health benefits (EHBs), which include pediatric dental care. However, a plan that does not cover pediatric dental care can be

considered a QHP if there is at least one stand-alone pediatric dental plan that is separately available for purchase on the same exchange.

To be certified as a QHP by MHBE, a health benefit plan must provide the EHBs required under the ACA, with specified exceptions. A QHP is not required to provide EHBs that duplicate the minimum benefits of QDPs if (1) MHBE has determined that at least one QDP is available to supplement the QHP's coverage and (2) at the time the carrier offers the QHP, the carrier discloses that it does not provide a full range of pediatric dental benefits and QDPs providing these and other benefits not provided by the QHP are available through the exchange. MHBE may determine whether a carrier may elect to include nonessential oral and dental benefits in a QHP.

MHBE may require children enrolling in a QHP to have the essential pediatric dental benefits required under the ACA whether offered in the QHP, in conjunction with or an endorsement to the QHP, or as a stand-alone dental plan.

Background: MIA advises that, as 10 stand-alone dental plans are available for purchase on the Maryland exchange, carriers may currently sell QHPs without pediatric dental coverage. However, all carriers offering plans voluntarily include pediatric dental benefits at this time. The bill is intended to prevent the future introduction of QHPs that lack this coverage as a consumer protection measure.

Additional Comments: The bill does not apply to ACA plans that are sold off the exchange. In those circumstances, carriers and consumers retain the option of purchasing an ACA-compliant policy that does not include pediatric dental coverage.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced in the last three years.

Designated Cross File: HB 23 (Chair, Health and Government Operations Committee)(By Request - Departmental - Maryland Insurance Administration) - Health and Government Operations.

Information Source(s): Maryland Department of Health; Maryland Insurance Administration; Maryland Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - January 22, 2024
km/ljm Third Reader - February 7, 2024

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Maryland Health Benefit Exchange - Qualified Health Plans - Dental Coverage

BILL NUMBER: SB 228

PREPARED BY: Jamie Sexton

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This bill would have minimal impact on small businesses. This requirement would apply only to small group QHPs, which are sold through the SHOP Marketplace. Carriers in general are already including pediatric dental in these SHOP plans; this bill will ensure that they continue to do so in the future. In addition, the vast majority of small employer groups do not use the Exchange to purchase their plans and this bill will have no impact on the off-exchange market where almost all small group ACA plans are purchased.