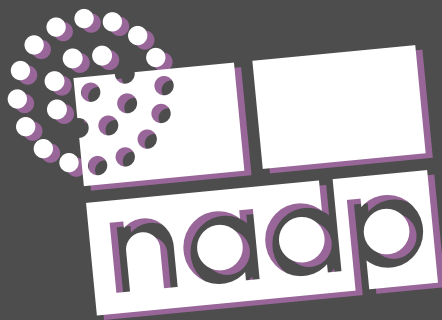




# 2020 ANNUAL REPORT

National Association of Dental Plans



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Promoting and advancing the dental benefits industry to improve consumer access to affordable, quality dental care.



National Association of Dental Plans (NADP), a Texas non-profit corporation with headquarters in Dallas, Texas, is the representative and recognized resource of the dental benefits industry. NADP's members provide Dental HMO, Dental PPO, Dental Indemnity and Discount Dental products to more than 200 million Americans with dental benefits.

**MISSION**

NADP members promote and advance the dental benefits industry to improve consumer access to affordable, quality dental care.

**MEMBERS**

NADP members include major commercial carriers, regional and single state companies, as well as companies organized as non-profit organizations.

**SERVICES**

**Dental Benefits Advocacy**

NADP serves as the voice of the industry to a wide range of stakeholders through the following programs:

Industry Representation regarding statutorily mandated standards and development of quality measures through voting seats on a variety of organizations such as the American Dental Association, Code Maintenance Committee, Health Level 7, the Dental Quality Alliance and more.

Government Relations advancing industry concerns on state and federal legislative and regulatory activities.

**Dental Benefits Industry Resource**

As the leading authority and knowledge center for dental benefits, NADP offers the following resources:

Research on a wide variety of topics through an annual suite of reports, brief surveys and in-depth studies.

Education on timely, dental-specific topics via webinars and the premier industry gathering, the NADP Annual Conference – CONVERGE.

The year 2020 is one we will always remember as filled with unique challenges, which tested our resolve and problem-solving abilities. As I review the events of 2020, I am proud of our NADP accomplishments and continued service to our members. I am also proud of the extraordinary work of the entire NADP staff throughout this challenging year. Following are some key NADP contributions.

### **Pandemic Response**

NADP leveraged the expertise of multiple volunteer groups and staff to quickly respond to the global pandemic with resources and education to help our members succeed during this unprecedented event. Resources include:

- COVID-19 Forum in Dental Interact featuring dedicated discussion threads on many aspects related to the pandemic
- Webinars exploring the impact of the pandemic from various perspectives
- COVID-19 Polls focusing on teledentistry, provider and enrollee support, travel restrictions and remote workforce, and premium grace periods
- WhyDental.org web pages including Consumer FAQ, Carrier Response and Advocacy
- Delegate call to discuss common challenges and direction for the association
- Representation on numerous issues such as supporting legislation calling for a \$25,000 tax credit for small businesses to purchase Personal Protective Equipment (PPE) and clarification from the Small Business Administration that dental plan premiums and costs paid by employers were included in the definition of "payroll costs"

### **Free Webinars for all Memberships**

To enhance the value of your membership, NADP announced free webinar registration for all member types. The free registration includes all webinar types: educational presentations, member briefings and sponsored webinars. In addition, members have free access to the extensive library of recorded webinars from the present and prior years.

### **Virtual CONVERGE**

In our most recent Member Survey, NADP members identified CONVERGE as the association service that benefits them most personally. To keep members safe and extend this highly valued program, NADP offered CONVERGE 2020 in a virtual format, with content available through Dec. 31. In short, Virtual CONVERGE was a resounding success! Sessions averaged a 92% approval rating, and attendance exceeded 700 – an NADP record.

### **Advocacy in Action (AIA)**

To serve as your voice on numerous federal issues, AIA featured virtual meetings with 60 Congressional offices. The conference-call format provided more time to cover key issues such as:

- Increase in the Federal Medical Assistance Percentage for Medicaid programs
- A special enrollment period on the Federally Facilitated Marketplace
- Temporarily subsidizing COBRA premiums
- NADP members also discussed the dental benefits industry efforts to support oral health and provide access to dental services during the pandemic as well as ongoing efforts to address racial disparities in oral health.

### **Delivery of Core Services**

Finally, NADP did not skip a beat in providing the association's core services of Advocacy, Industry Collaboration, Education and Research. Through effective remote work capabilities of members and staff, our volunteer groups and association programs ran smoothly and continuously throughout the year. Read the highlights regarding each core service.

The brief glimpse above demonstrates the ability of NADP to produce timely, valued member benefits in any setting. NADP was successful this year and every year because of the support of our members. We look forward to working with you in the coming year. If you have any questions or comments regarding NADP, please contact me at [info@nadp.org](mailto:info@nadp.org).



***Jeremy Hedrick***  
***NADP Board Chair***  
Careington International



The Coronavirus pandemic was disruptive to the Research Agenda for 2020, but also presented opportunities for industry collaboration to quickly address the impact on the dental benefits industry through the NADP Research program. The ability for plans to respond to scheduled industry surveys was significantly reduced, especially during local government-imposed lockdowns, staff furloughs and the rapid shift to remote work for NADP staff and member companies. As a reaction to this circumstance, the Research Commission revised the 2020 Industry Research Agenda to accommodate the situation. Several industry reports were significantly delayed due to lagging response from members; others were delayed by the Research Commission to accommodate resource limitations of member companies. A new report, Benefit Utilization, was changed to increase frequency of data collection deemed vital to inform NADP about the response to the pandemic, and a series of ad hoc surveys and reports was conducted to assess issues particular to pandemic response.

### Statistical Reports on the Industry

#### **State of the Market Report**

This industry primer includes highlights from the previous year's statistical surveys such as trends on enrollment, premiums, customer service and claims processing. The report also has a section on "What to Expect."

#### **State Fact Sheets**

*NADP State Fact Sheets* provide key, state-specific data on the dental benefits market and highlight pertinent statistics about the national market. State-specific information includes statistics on enrollment and dental workforce, with national data on enrollment trends, change in premium, product funding, offerings by group size and enrollment in dental benefits by household income.

#### **2020 Dental Benefits Report: Network Administrative Metrics and Network Statistics**

The *NADP Network Administration Report*, covers many topics related to Provider Network Metrics. In addition to *Network Administration Metrics*:

- This report highlighted the legislative activity around Non-Covered Services, Network Adequacy, Accessibility and Directories and Network Leasing at the state and federal levels.
- It also reports the number of dentists listed in DHMO and DPPO directories by location (state and Metropolitan Statistical Area) and by dental specialty.

The report includes two files: a report on Network administration Metrics and legislative activity highlights, network statistics and listing of the counts of dentists listed in provider directories; and a spreadsheet that includes the counts of dentists participating on networks.

#### **NADP 2020 Dental Benefits Report: 2019 Claims Metrics**

Beginning in 2020, NADP no longer partnered with LIMRA to publish this report. The survey and report were redesigned to reflect the nature of dental plan operations more accurately and to provide more meaningful data to dental plans using this report as a benchmark. The survey and report content included data on various claims processing metrics, the prevalence of electronic claim filing and resolution, quality metrics utilization, risk-based benefits, and additional EDI-related topics.

#### **2020 Dental Benefits Preliminary Report: 2020 Benefit Utilization Trends**

Originally planned as an annual survey and report, due to the pandemic, the Research Commission accelerated the data collection timing and frequency of this report. Beginning in the first quarter, data for this report was collected quarterly and issued as a preliminary report to participating plans. The fourth quarter survey and Annual Report was scheduled for completion in the first quarter of 2021.

#### **2020 Dental Benefits Report: New Enrollment**

The past partnership with LIMRA to publish a quarterly sales report ended in 2019. This report replaces that one and focuses on enrollment from new business only by product type and by state.

#### **COVID Response Surveys**

During May and June, NADP conducted a series of short surveys to address specific issues related to NADP members' response to the Coronavirus pandemic. Topics included Dental Premium Grace Periods, Provider and Dental Plan Enrollee Support, Business Travel and Remote Workforce and Staffing, and Plan Support for Teledentistry.

### Shared Research Program

Through the Shared Research Program, NADP annually recruits program participants to sponsor research on Employer and Consumer studies. These studies gather information about behaviors and perceptions, and expectations regarding dental benefits. Results of the studies are released to program participants. The Employer Tracking Survey was fielded in the third quarter and the Consumer Tracking Survey was conducted in the fourth quarter.



### Virtual CONVERGE 2020 Receives Rave Reviews

Virtual CONVERGE 2020 delivered all the things members know and love about the NADP annual conference – insightful industry education, interactive networking opportunities, and in-depth information about sponsors and exhibitors. In addition, the virtual format offered unique advantages including:

- The ability to listen to as many presentations as desired because sessions were offered live and recorded
- Online chats fostering interaction between presenters and attendees
- Reduced registration prices – contributing to record-breaking attendance exceeding 700 registrants
- Availability of content for registrants through Dec. 31

The CONVERGE program featured sessions covering multiple topics such as the future of the dental benefits industry, artificial intelligence, best plan and DSO practices, data trends and market projections, Medicare trends, member retention, credentialing, big data and actuarial trends, and the impact of Millennials on the dental benefits market. CONVERGE attendees gave their stamp of approval of the educational content with average session ratings of 92%. Mark your calendar now for CONVERGE 2021, Sept. 20-23 in New Orleans.



# WEBINAR series

## 2020 Webinar Program Enhanced with Free Registration

One of the first NADP programs launched in 2020 was an expansion of the Webinar program to include free registrations for all members on all webinars – including 2020 webinars and the library of recorded webinars from previous years.

With more than 50 presentations focused on a wide array of areas including key trends, management and operations, DSOs or government relations topics, NADP Webinar Recordings deliver dental specific content designed to help you succeed.

Following is just a sampling of the free content made available to all NADP members in 2020:

### Recorded On-Demand Webinars

This section included previously recorded webinars covering a multiple topics such as opioids and dentistry, Dental in Accountable Care Organizations, cybersecurity regulations, diagnostic terminology and working with Dental Support Organizations.

### The Best of 2019

Members also received access to all of webinars from the previous year at no charge including:

- [Special Focus](#) - 2019 Mini-Series covering interprofessional practice, public programs, directory and claims data.
- [Dental Industry Trends](#) – 2019 Mini Series featuring tele-orthodontics, DSO membership plans, trends in employer and consumer perspectives on dental benefits
- [Full Series](#) includes all topics from both mini-series

### All 2020 webinars

- [COVID-19: NADP Member Briefing and Panel Discussion - PART I](#) (recorded March 24)
- [COVID-19 Member Briefing and Panel Discussion - PART II](#) (recorded May 5)
- [Market Intelligence for Group Dental](#) (recorded Aug. 11) Sponsored by Group Market Share
- [Teledentistry.com - A Value Added Benefit](#) (recorded Aug. 26) Sponsored by [Teledentistry.com](#)

- [The Promise of Artificial Intelligence \(AI\) to Payer Dental Benefit Administration](#) (recorded Sept. 1) Sponsored by [OverJet](#)
- [Automating Claims Review and Eliminating Fraud, Waste and Abuse: How AI helps insurers save](#) (recorded Oct. 8) Sponsored by [Pearl](#)
- [Delivering the digital experience members and dental practices desire](#) (recorded Oct. 20) Sponsored by [Change Healthcare](#)
- [Unifying your dental network analysis](#) (recorded Oct. 29) Sponsored by [Zelis](#)
- [Working together to fight cyber criminals and reduce risk to your Member Data](#) (recorded Nov.11) Sponsored by [VPay](#)
- [How dental plans can move beyond standard claim editing to increase pre-pay claim accuracy](#) (recorded Nov. 19) Sponsored by [Cotiviti](#)
- [The Impact of the 2020 Elections: Preparing for the Future of Dental Benefits Advocacy](#) (recorded Nov. 30)
- [Making the Impossible a Reality – Automated Eligibility & Benefits Verifications](#) (recorded Dec. 15) Sponsored by [Onederful](#)

# ADVOCACY: State Issues

## NADP Tracks State-Level COVID Responses

The COVID-19 pandemic had a significant effect on NADP’s state-level advocacy in 2020. In response to the pandemic, NADP created tracking [resources](#) to follow topics like insurance grace periods, telemedicine initiatives, filing requirements, special enrollment periods, and state re-opening guidelines. These resources are meant to assist members as they navigate the state and federal policy landscape and respond to the pandemic. NADP also closely tracked state initiatives related to personal protective equipment (PPE), some of which were promoted by state dental associations. As state efforts to administer the COVID vaccine and vaccinate front line medical staff began, NADP continued to keep members informed of newly publicized state plans and the push to include dentists among the first to receive the vaccine.

## 2020 State Legislative Wrap Up

While 2020 was an unusual year due to the COVID-19 pandemic, NADP continued its regular work of analyzing and advocating on key topics relevant to the dental benefits industry in the states, such as legislation related to network leasing, non-covered services, and taxation of insurance. In 2020 New Jersey enacted a law imposing a tax on insurers to create a “Health Insurance Affordability Fund.” The tax represents 2.5% of an entity’s net written premiums, and applies to health, dental, and vision plans, but excludes “dental service corporations” (nonprofits). In Colorado, NADP and partners successfully advocated to exclude all dental plans from its newly enacted health insurance fees. Nebraska enacted network leasing provisions requiring insurers to permit providers to opt-out of participation in leasing, and similar legislation was proposed in Rhode Island and Massachusetts. Also, in 2020, New Hampshire became the 40th state to enact a non-covered dental services law, while Vermont and Ohio considered but did not enact similar bills.

Every year the NADP compiles a review of relevant state policy activity for the year and posts the information on the website.

## NADP Weighs in on Medicaid Trends Impacting Adult Dental Coverage

At the state level, NADP closely monitored trends in Medicaid expansion, Medicaid coverage of adult dental benefits, and the creation of State-based Marketplaces (SBMs). States that establish SBMs like New Jersey, Pennsylvania, and Nevada have provided an opportunity to establish the independent purchase of dental plans on exchanges. Two states, Oklahoma and Missouri, approved Medicaid expansion through ballot initiatives, following a trend from 2018 of rural states approving Medicaid expansion. NADP also closely monitored state Medicaid and marketplace waiver applications to the Centers for Medicare and Medicaid Services (CMS), advocating for the first time on waivers that would harm dental benefits availability, such as the potential elimination of the federal marketplace in Georgia. In addition to Georgia, several states, such as Oklahoma and Nebraska, [announced updates](#) regarding dental benefits in their Medicaid programs.

## NADP Advocacy Improves NCOIL Model Act, Removes Medical Loss Ratio Provision

The National Council of Insurance Legislators (NCOIL) Health Insurance & Long-Term Care Issues Committee convened on Dec. 10 and voted in favor of the [Transparency in Dental Benefits Contracting Model Act \(“Model Act”\)](#), which was adopted by the NCOIL Executive Committee on Dec. 12.

The adopted version of the Model Act reflects substantial changes from an earlier version that was introduced by the American Dental Association (ADA) as the [“Patient Dental Care Bill of Rights”](#) in December 2019. At the time of introduction, NADP stood in opposition to the Model Act for its failure to accomplish the goals of improving the welfare of dental consumers. In the spring of 2020, NADP along with industry partners (America’s Health Insurance Plans (AHIP) and American Council of Life Insurers (ACLI), submitted a [letter of opposition](#), offering up an alternative proposal that focused solely on network leasing. In person testimony on this issue from NADP Executive Director, Eme Augustini, encouraged the Committee to strike several provisions that were unrelated to leasing including “medical loss ratios, [which] have scarcely been considered by any states at all, and are enormously controversial.”

The in-person testimony at NCOIL meetings and grassroots outreach from member companies, stressing the impact of various provisions on dental benefits consumers, prompted a more thorough review of the draft Model by Committee members. While the NADP alternative proposal addressing leasing only was not adopted, the Model Act’s overpayment recovery and medical loss ratios provisions were removed from the Act, and NADP and its partners reached a successful compromise with the ADA making numerous favorable amendments to the remaining sections on network leasing, prior authorizations, and virtual credit cards.

In [written](#) and oral comments delivered to the bill sponsors on Dec. 10, NADP voiced its support for keeping providers well-informed and giving dentists choices with regard to their participation in a carrier’s leasable network, stating that Association was pleased that Model Act “recognizes that network leasing is an important practice that creates value for employers, providers, and consumers by expanding carriers’ networks.” NADP raised the industry’s remaining concerns that requirements in the leasing section related to the provider renewal process were administratively burdensome and called on the sponsors to strengthen wording in the Model Act distinguishing prior authorizations from pre-treatment estimates, which are voluntary and non-binding.

NADP will continue to work with state legislatures in an effort to ensure that any bills introduced on the subject of network leasing or prior authorization contain provisions that are favorable to the dental benefits industry.

# ADVOCACY: Federal Issues

## Repeal of McCarran-Ferguson Exemption for Health and Dental Insurance Passed by Senate

On Dec. 22, the U.S. Senate passed [H.R. 1418 / S. 350](#) (the Competitive Health Insurance Reform Act) by [unanimous consent](#). NADP, others in the insurance industry, and state regulators at NCOIL and National Association of Insurance Commissioners (NAIC) have fought strongly against the measure for more than 10 years and, as the relief bill began to take shape, industry advocates were very active in communicating to Congress that repealing the McCarran Ferguson Act’s antitrust exemption for insurers would ignore already existing State antitrust protections, reduce competition, and increase costs for consumers. Ultimately, despite the lack of consideration by the full Senate and the industry’s advocacy, the measure passed on the Senate floor shortly before Congress adjourned. The ADA and other health care organizations, such as the American Hospital Association were [strongly supportive](#) of the repeal. The bill was signed into law by President Trump.

While the repeal of the exemption may not expose carriers to additional risk or regulation given dental carriers generally do not engage in those activities governed by McCarran, the association’s primary concern has and will be potential costly litigation prompted by and in the immediate aftermath of repeal to test any new legal precedent, the costs of which could be borne by employers and enrollees via increased premium. NADP and partners across the insurance industry will continue to assess these implications.

## President Trump Signs COVID Relief and Omnibus Spending Package into Law

On Dec. 27, President Trump signed the “Consolidated Appropriations Act, 2021”, a COVID Relief and Omnibus Spending Bill, which also includes surprise billing legislation and health extenders. The relief package passed in the House and Senate on Dec. 21 and included several provisions on which NADP advocated.

- **State APCD Provisions**

The Consolidated Appropriations Act does include compromise legislation to limit surprise billing ([No Surprises Act](#)). Congress worked on surprise billing reform for [more than a year](#) and talks were previously stalled by competing interests and opinions on settling out-of-network billing disputes. The legislation does not include standalone dental plans in the surprise billing provisions. The relief package includes provisions regarding State All Payer Claims Databases (APCD), including a grant program to incentivize states to create and improve State APCDs, which may include dental claims. The compromise APCD provisions align with several of NADP’s [policy positions](#) including progress toward standardization, state flexibility on collection of dental claims, and limiting cost and administrative burden by not establishing a federal APCD.

- **Dental Insurance Costs Covered in PPP Loans**

The relief deal also includes a clarification that specific group insurance payments such as “group life, disability, vision, or dental insurance” are included in the definition of payroll costs for Paycheck Protection Program (PPP) loan forgiveness and expenditure calculations, providing much-needed clarity to small businesses.

In April, NADP sent [comments](#) to the Small Business Administration (SBA) and Senate Business Committee seeking clarification that the costs of dental benefits paid by employers are both included in the definition of group health plan costs and payroll costs in the CARES Act (and subsequent Interim Final Rule). On Aug. 11, the SBA updated the [FAQs](#) for the PPP on the inclusion of dental and vision benefits premiums in the definition of payroll costs. The language in the Consolidated Appropriations Act codifies the NADP request for clarification.

- **Expanded PPP Eligibility to Nonprofits**  
The package also includes expanded Paycheck Protection Program (PPP) eligibility for 501(c)(6) nonprofits. In September, NADP and more than 2,300 other state and national organizations joined forces to [request](#) that Congress treat 501(c)(6) nonprofit organizations, such as trade associations, on equitable equal terms relative to other borrowers (e.g., same employee caps).

## NADP Government Relations Navigates Federal Advocacy During Pandemic 2020 Year in Review

As the nation began to take steps to address COVID-19, NADP remained committed to supporting and informing dental carriers, dentists, consumers, and various stakeholders, including federal policymakers. NADP weighed in on several issues that were critical to the dental benefits industry during the COVID-19 pandemic:

- **April 21** letter to Congressional leadership seeking federal subsidization of Consolidated Omnibus Budget Reconciliation Act (COBRA) premiums for the newly unemployed and a special enrollment period for the Federally Facilitated Exchanges
- **April 23** joint stakeholder letter to Congressional leadership with key health and health care priorities for the next COVID-19 response legislation. NADP partnered with more than 400 organizations, led by Families USA, to advocate for legislation that ensures American families have the ability to seek the care they need to stay healthy.
- On **May 18** NADP joined a coalition of more than 200 organizations in a joint stakeholder letter asking Congress to preserve and protect access to oral health care for millions of Americans including increasing the Federal Medical Assistance Percentage (FMAP) and establishing an oral health infrastructure fund.
- **May 20** letter to Congressional leadership advocating for an increase to the Medicaid Federal Medical Assistance Percentage (FMAP), with a specific increase for dental benefits, in the next COVID-19 relief package
- On **July 22**, NADP sent a letter of support to the sponsors of the Small Business PPE Tax Credit Act (HR 7216) which would provide a \$25,000 tax credit for small businesses to purchase personal protective equipment (PPE). The tax credit would help some dental practices that are still struggling with obtaining PPE as dental care begins to resume.

### NADP Responds to Congressional Investigation of Insurance Industry Profits

In August House Energy and Commerce Committee Chairman, Frank Pallone (D-NJ), [announced](#) that he would launch an investigation into health and dental insurance companies' business practices following [reports](#) of higher profit margins, particularly for health insurance companies, during the COVID-19 pandemic. NADP remained in close contact with the Committee staff, coordinated with individual carriers that were questioned and, in September, submitted a letter [in response to the Committee's questions which provides context on the financial picture for the dental industry in 2020, highlights the myriad actions that dental carriers are taking to assist consumers and the community during this pandemic, and explains the key differences between medical and dental plans.

### NADP Members Participate in Virtual Grassroots Campaigns with Congress

Due to travel restrictions and Congressional office closures related to the pandemic, NADP conducted its fifth annual Advocacy in Action (AIA) lobbying day virtually. More than 40 NADP members engaged in in-depth telephone conversations and virtual meetings with 60 Congressional offices during NADP's virtual Advocacy in Action event, June 24-26. Most participants agreed the conference-call format was advantageous as it provided more time to cover industry issues. NADP members urged Congressional leaders to increase the Federal Medical Assistance Percentage (FMAP), direct the Centers for Medicare and Medicaid (CMS) to open a special enrollment period on the Federally-Facilitated Marketplace (FFM) and temporarily subsidize COBRA premiums. NADP members also discussed the dental benefits industry efforts to support oral health and provide access to dental services during the pandemic as well as

ongoing efforts to address racial disparities in oral health.

In addition to AIA, NADP members engaged in other large-scale grassroots activities. NADP's [call to action](#) on the FMAP increase, arguing the federal government needed to provide relief to state Medicaid programs to preserve adult dental benefits in Medicaid reached more than 300 congressional offices.

### NADP Continues Push for Independent Purchase on the Exchange

NADP continued to advocate for independent purchase of dental benefits on the federal health insurance Marketplace, which provides consumers with an additional option beyond the existing private individual market through which to obtain dental coverage. In February, NADP, in partnership with kidney and transplant advocates, sent a [joint letter](#) to the Health and Human Services Secretary Alex Azar bringing to the foreground the needs of kidney and transplant patients, who require dental treatment before and after surgery. In response, NADP received a [letter](#) from Director of the Center for Consumer Information & Insurance Oversight (CCIIO), which reversed course with respect to their stance that there are no statutory barriers to independent purchase of dental on the federal marketplace. Previously the Agency had expressed that the primary barrier was simply a technical issue with healthcare.gov, which the Centers for Medicare and Medicaid Services (CMS) was actively working to resolve. NADP reached out to Congressional supporters to explore next steps and will continue to advocate for independent purchase of dental benefits on the federal health insurance Marketplace with the new Administration in 2021.

### NADP Advocates Against Federal Non-Covered Services Legislation

On Nov. 12, Sen. Joe Manchin (D-WV) introduced S.4894, the DOC Access Act, in the Senate. NADP actively opposed to the House version (H.R.3762) of the non-covered services (NCS) bill, which has been introduced several times in prior years (as HR 1606 in 2017-18 and HR 3323 in 2015-16 but has never passed the full House). The American Dental Association (ADA) expressed its support for federal NCS and NADP anticipated that both the Senate and House versions will likely be reintroduced after the 117th Congress was seated in January 2021. For more details on NADP's position on this bill, please access the issue brief [<here>](#).

### NADP Election Wrap-up 2020

NADP issued a comprehensive Federal and State Election Report analyzing the potential impact of the 2020 elections on NADP members.

### NADP Issues Comments on Numerous Federal Regulatory Proposals Impacting Dental in 2020

2020 presented one of the most active years with respect to federal rulemaking activity in recent memory. NADP commented to federal agencies on issues including the Medicaid Fiscal Accountability rule, value based dental plans on marketplaces, direct primary care agreements, and exchange waivers. In the waning days of the Trump Administration, a plethora of rules impacting the dental benefits industry emerged.

- **Medicaid Fiscal Accountability Rule**  
On Jan. 31 NADP filed [comments](#) with the Centers for Medicare and Medicaid Services regarding the Medicaid Fiscal Accountability Rule (MFAR). NADP opposed the proposed expansion of the definition of permissible classes of health care items and services for the purpose of imposing Medicaid-related taxes. The letter also highlights that the proposed class of health insurance would be substantially more broad than existing classes under Medicaid statute. This fall Center for Medicare and Medicaid Services (CMS) Administrator Seema Verma issued a press release that the rule was being withdrawn, but it had not been officially removed from the regulatory docket and could potentially still be finalized.
- **2021 Exchange Notice of Benefit and Payment Parameters**  
On March 2 NADP commented on the annual notice of benefit and payment parameters for the Affordable Care Act exchanges. The rule specifically requested comments on potential future developments of value-based insurance designs (VBID) for dental plans. In response, NADP provided insight from members on the state of value based dental care, including that fee-for-service remains the primary reimbursement method for the industry. Furthermore, NADP recommended that any future VBID developments should follow the frameworks created through the Healthcare Payment Learning & Action Network, bringing together dental payers, providers, and patients.
- **2022 Exchange Notice of Benefit and Payment Parameters**  
The Notice of Benefit and Payment Parameters (NBPP) for Plan Year (PY) 2022 introduces an option for states to end the use of centralized exchanges and rely only on direct enrollment entities such as brokers or carriers. The plan follows the implementation of a similar 1332 innovation waiver in Georgia, which NADP opposed for its potential to cause a decline in dental coverage. Comments for the rule were due Dec. 30.

- CMS Delays Implementation of the Interoperability Rules**  
 In April CMS announced a six-month delay in implementation of the Interoperability and Patient Access final rule ([CMS-9115-F](#)). The rule, which would require Medicare Advantage, Medicaid, and the Children’s Health Insurance Program (CHIP) dental plans to develop provider registry and patient data APIs will not be enforced until July 1, 2021. In May 2019, NADP commented in opposition to the inclusion of dental plans in the rule’s requirements, citing cost concerns for plans, the likely lack of dental data utilization by patients, and privacy issues. This argument was in line with the Administration’s own reasoning for exempting Standalone Dental Plans (SADPs) on federally facilitated exchanges (FFE) from the rule. CMS had also proposed a new rule to expand the requirements for Medicaid/CHIP plans; comments on the rule were due January 4, 2021.
- 1557 Tagline Repeal**  
 On June 12, the Health and Human Services (HHS) Office of Civil Rights finalized “Nondiscrimination in Health and Health Education Programs or Activities: Delegation of Authority” ([RIN 0945-AA11](#)), which permanently repeals tagline requirements under section 1557 of the Affordable Care Act, effective Aug. 18. In August 2019, NADP filed [comments](#) supporting the repeal of 1557 tagline requirements, citing the substantial financial burden to dental plans. NADP reiterated that dental plans would continue to provide meaningful access for limited English proficiency enrollees without the tagline requirements.
- Direct Primary Care**  
 On Aug. 7, NADP filed a [comment](#) with the Internal Revenue Service (IRS) on the proposed rule regarding “Certain Medical Care Agreements” (RIN 1545-BP31) that would expand the definition of “medical care” under section 213(d) of the IRS Code, to include health sharing ministries and direct primary care arrangements. This would allow both arrangements to be reimbursable under employee Health Reimbursement Arrangements (HRAs). In the proposed rule, the IRS requested comments on potentially further expanding the definitions in section 213(d) to include “an agreement between a dentist and a patient to provide dental care.” NADP responded by reiterating the stability and affordability of the dental benefits market and raising concern that of allowing direct dental care agreements to be reimbursable by Health Reimbursement Accounts (HRAs) could lead to a false assumption of comprehensive coverage by enrollees.
- Price Transparency Rule**  
 In October the Trump Administration announced the publication of the final rule on “Transparency in Coverage” ([CMS-9915](#)). Under the final rules, plans and issuers that offer excepted benefits, such as limited scope dental or vision benefits, along with their major medical coverage are not required to disclose the information required by the final rules regarding their provision of those excepted benefits. While embedded dental benefits could be required to report as part of the final rule in the future, dental care and billing codes are not currently included in the list of 500 services plans must report beginning in 2023.
- Final Rule on Medicaid Managed Care**  
 On Nov. 9, the Centers for Medicare and Medicaid Services (CMS) released the final rule “Medicaid Program: Medicaid and Children’s Health Insurance Program (CHIP) Managed Care” ([CMS 2408-F](#)), which finalizes changes to Medicaid and CHIP managed care plan requirements alongside other alterations. In January 2019, NADP filed comments on the proposed rule, voicing support for changes in tagline requirements, grievance/appeals support, and asking for a carve-out for dental benefits in the existing MMC medical loss ratio reporting requirements. Both the information reporting requirements and grievance changes were finalized; however, the rule keeps the existing MLR framework in place. More information can be found [here](#).
- SUNSET Rule**  
 NADP submitted comments on the proposed rule “Securing Updated and Necessary Statutory Evaluations Timely” ([SUNSET](#)). The proposed rule would require that regulations deemed “economically significant” undergo an impact review after 10 years. Any regulations older than 10 years old would be reviewed in the first 2 years after the SUNSET rule’s enactment. If a review is not completed before the 10-year deadline, the regulation would automatically expire. The comments focus on the uncertainty the rule creates in the

regulatory environment and the detrimental effects of the potential elimination of regulations without proper review, and NADP encourages HHS to reconsider the repeal of regulations after the 10-year mark if a review is not completed.

- Interim Final on COVID-19**  
 As part of NADP’s continued advocacy to preserve adult dental benefits in Medicaid, comments were filed in opposition to portions of the Nov. 6 interim final rule on COVID-19 ([CMS-9912-IFC](#)), which reversed policies established in April by CMS requiring states to maintain dental benefits for Medicaid enrollees in order to receive enhanced FMAP dollars under the Families First Coronavirus Response Act (FFCRA). NADP argued that the reversal, as well as language in the rule using dental as an example of an acceptable benefit to cut under the Interim Final Rule (IFR), put the oral health of Medicaid enrollees across the country at risk and posed a threat to public health during the pandemic. The comments were also sent alongside a letter to members of Congress encouraging them to pass an expansion of the FMAP and reinstate the maintenance of effort requirements on

## 2020: Advocacy by Numbers

### Federal



70+

meetings with congressional offices



15

Letters and Comments to Congress or Federal Agencies



#### TOP ISSUES

1. Federal Medical Assistance Percentage (FMAP) Increase
2. COBRA Premiums Subsidies
3. Independent Purchase of Dental Plans on the Exchanges
4. Federal Non-Covered Services Legislation

### State



1717

bills tracked and analyzed



107

bills identified as priority



#### TOP ISSUES

1. Pandemic Relief for Providers & Enrollees
2. Network Leasing
3. Non-Covered Services
4. Health Insurance Assessments/Taxes

Contact Us to Get Involved at [advocacy@nadp.org](mailto:advocacy@nadp.org)



## Terminology, Standards, and Transactions

Imagine members of a symphony orchestra playing different arrangements of the same song at the same time. The result would be a chaotic, disharmonious noise instead of the masterpiece intended. On a similar note, the three NADP Terminology, Standards and Transactions Sub-Workgroups (SWGs) ensure dental plans are playing harmoniously from the same healthcare arrangement that encompasses the unique needs of the dental benefits industry.

The following 2020 highlights from the Codes SWG, Clinical Quality Measures SWG (formerly known as the Dental Quality Alliance SWG) and the Diagnostic Terminology SWG showcase how these groups remained in tune and advanced the industry.

### Codes SWG

Twenty-three voting and seven non-voting members (additional representatives from companies already on the SWG) conducted the work of SWG via conference calls scheduled around critical dates in the American Dental Association (ADA) Code Maintenance Committee process.

Led by Chair Dr. Charles D. Stewart, Aetna, and Vice Chair Kristen Strasheim, Ameritas Life Insurance Corp., the Codes SWG completed reviews of proposed changes to CDT-2021 and submitted one (1) proposal to the Code Maintenance Committee (CMC) for substantive changes. Dr. Stewart, Ms. Strasheim and NADP Deputy Executive Director Mr. Timothy L. Brown represented NADP at the March 12-13, CMC meeting. In addition, the CMC also held an out-of-cycle meeting on April 14 to address potential codes for COVID related testing. Once the two new testing codes passed, NADP committed to convening our members to discuss the potential to put these codes in place prior to the January 1, 2021 effective date. After discussion and consideration, the Codes SWG shared a white paper on the barrier to early implementation and agreed to reconsider early implementation if the main barriers identified could be overcome. NADP members can request a copy of the Codes SWG testing codes early implementation white paper. Further, NADP members can obtain the NADP Change Document for CDT-2021 that outlines the changes effective January 1, 2021.

The Codes SWG was once again given the opportunity to edit the DRAFT CMC report and the ASCII file of CDT-2021. Codes SWG members found and corrected minor errors in these documents prior to release or printing.

In the second half of the year, SWG members began the process of submitting and evaluating proposed submissions for CDT-2022 with proposals being solicited from the NADP membership. The Codes SWG reviewed and developed proposals during their September and October scheduled meetings in time for submission to the CMC by the November 2020 deadline.

### Clinical Quality Measures (CQM)

The CQM SWG was formerly known as the Dental Quality Alliance (DQA) SWG. The NADP Board of Directors authorized the name change in May of 2020 to eliminate confusion between the actual DQA and the NADP SWG of the same name. The 14 voting and seven non-voting members; (additional representatives from companies already on the SWG) worked via conference calls scheduled around critical DQA meeting dates. Group leadership included Chair Dr. Mark Jurkovich, HealthPartners; Vice Chair Dr. Lynn Mouden, Avesis; and DQA Executive Committee alternate Dr. Craig Amundson, HealthPartners.

SWG members monitored the actions of the Dental Quality Alliance (DQA) and Drs. Amundson, Jurkovich and Mouden along with NADP Deputy Executive Director Timothy L. Brown participated in the June 4 DQA Executive Committee meeting and the full DQA meeting on June 5, virtually. CQM SWG members participated on the DQA Executive, Measures Development and Maintenance (MDMC), and pediatric measures development committees and Dr. Amundson chairs the MDMC. Drs. Amundson, Jurkovich and Mouden and Mr. Brown also attended the Nov. 13 DQA Executive Committee meeting and the full DQA meeting on Nov. 13 virtual meetings.

### DIAGNOSTIC TERMINOLOGY SWG

The Diagnostic Terminology (DT) subworkgroup (SWG) had 13 voting and three non-voting members (additional representatives from companies already on the SWG). The SWG conducted work scheduled around critical dates in the SNOMED International and Dentistry Clinical Reference Group (CRG) meeting/call dates. The SWG was chaired by Dr. Roger Adams, Avesis, for part of the first quarter 2020 with Dr. Linda

Vidone, DentaQuest taking the Chair role for the remainder of the year. The DT SWG continued oversight and review of the activities of SNOMED International (formerly known as the International Health Terminology Standards Development Organisation or IHTSDO), with Dr. Vidone and NADP Deputy Executive Director Timothy L. Brown representing NADP on the Dentistry Clinical Reference Group (CRG).

The April 2020 SNOMED International Business meeting was reduced to a few virtual meetings due to the COVID pandemic. Dr. Vidone and Mr. Brown participated in the SNOMED Virtual Expo on Oct. 8-9, and the Dentistry CRG calls throughout the year.

With the primary focus of SNOMED International being the outbreak of COVID-19 from early 2020, most work focused on the development, publication, and implementation of diagnostic terminology around the pandemic. Thus, much of the Dentistry CRG work was set aside for 2020 as other priorities prevailed. The CRG focused on finalization of concepts for gingival diseases and developing a draft work plan for 2021 to include support for the change to the 2017 periodontal classification system, updating the general dentistry refset, and determining a path forward for procedures and substances.

## More TST Triumphs

The Terminology, Standards and Transactions division also includes the EDI and Operations WorkGroups (WGs). Following are highlights from each group.

### Electronic Data Interchange (EDI) WG

The EDI WG reviewed and commented on mandated EDI transactions for claims processing, eligibility, claims status, eligibility, explanation of benefits, electronic funds transfer and electronic health records. The members supported NADP voting seats on Dental Content Committee (DeCC), Health Level 7 (HL7), Standards Committee on Dental Informatics (SCDI), Code Maintenance Committee (CMC/ CARC & RARC), Workgroup for Electronic Data Interchange (WEDI) and American National Standards Institute X12 (X12) including the X12 Dental Caucus.

The WG contributed to the NADP Claims Metric Industry Survey by reviewing the questions, making recommendations and adding to the survey. The results are analyzed and discussed during the EDI meetings and used to set future agenda items.

COVID influenced topics in 2020 and discussion focused on possible steps to increase Dental EDI and use of D1999 for Personal Protective Equipment (PPE). Virtual Credit Cards (VCC) continued to be a big topic of discussion in 2020. The year 2021 should bring more integration of EDI directly at the provider desktop and Dental Practice Management Systems, making things easier and faster than current widely used plan portals.

### Operations WG

The Operations WG began the year by reviewing priorities and developing a plan for 2020 that included continued focus on enhanced relationships with Dental Service Organizations (DSOs). Major topics revolved around Provider Directory Validation and the state regulations; especially around COVID. The PDV information is available on the NADP website. A Delegated Credentialing SWG was formed to create checklists and best practices for DSOs and plans to reference when moving to a Delegated Credentialing model.

The WG continued to monitor various organizations in the credentialing space. This group watched state regulations and provided feedback and suggestions to ease the credentialing/recredentialing process.

## NEW MEMBERS

### Associates

- Profitable PPOs
- ProHEALTH Dental Management, LLC

### Supporting Organizations

- Benco Dental Company
- Dr. Opinion
- Group MarketShare
- Onederful
- Pearl
- Retrace
- Teledentistry.com
- VideHealth

### Individuals

- Colleen Huff
- Evelyn Ireland\*
- Dr. William McKibben
- Jon Seltenheim\*
- Bruce Silverian
- Dr. Michael Tong

\*Lifetime members



**National Association of Dental Plans**  
**Statements of Financial Position**  
**December 31, 2020 and 2019**

	2020	2019
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 828,973	\$ 680,272
Restricted cash	53,854	50,554
Investments	2,869,869	2,655,641
Accounts receivable	37,981	25,337
Prepaid expenses	107,992	92,639
Other assets	114,316	81,865
Due from CADP	11,280	2,444
<b>Total current assets</b>	<b>4,024,265</b>	<b>3,588,752</b>
Furniture and equipment, net	49,386	80,864
<b>Total assets</b>	<b>\$ 4,073,651</b>	<b>\$ 3,669,616</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 22,520	\$ 85,658
Accrued expenses	278,538	240,514
Deferred revenue	1,177,021	1,028,233
Income tax payable	5,483	-
<b>Total current liabilities</b>	<b>1,483,562</b>	<b>1,354,405</b>
<b>Net assets:</b>		
Without donor restrictions	2,543,543	2,275,314
With donor restrictions	46,546	39,897
<b>Total net assets</b>	<b>2,590,089</b>	<b>2,315,211</b>
<b>Total liabilities and net assets</b>	<b>\$ 4,073,651</b>	<b>\$ 3,669,616</b>

**National Association of Dental Plans**  
**Statement of Activities**  
**Years Ended December 31, 2020 and 2019**

	2020	2019
<b>Changes in net assets without donor restrictions:</b>		
<b>Revenues:</b>		
Membership dues	\$ 1,819,996	\$ 1,852,398
Education and meetings	252,880	759,633
Research and information	170,766	75,905
Management fees	122,568	113,684
<b>Total revenues</b>	<b>2,366,210</b>	<b>2,801,620</b>
Net assets released from restrictions - satisfaction of program restrictions	5,826	10,000
<b>Total revenues, net</b>	<b>2,372,036</b>	<b>2,811,620</b>
<b>Expenses:</b>		
Program services:		
Member services	236,916	390,283
Education and meetings	184,167	523,920
Research and information	228,821	374,518
Government relations	1,005,250	873,660
Supporting service:		
General and administrative	700,864	618,046
<b>Total expenses</b>	<b>2,356,018</b>	<b>2,780,427</b>
<b>Excess of revenues over expenses</b>	<b>16,018</b>	<b>31,193</b>
<b>Other income:</b>		
Other income	42,411	16,788
Dividend income, net	30,410	61,865
Realized and unrealized gains on investments	179,390	198,972
<b>Total other income</b>	<b>252,211</b>	<b>277,625</b>
<b>Increase in net assets without donor restrictions</b>	<b>268,229</b>	<b>308,818</b>
<b>Changes in net assets with donor restrictions:</b>		
Contributions:		
Political action committee	12,475	23,975
Net assets released from restrictions:		
Political action committee	(5,826)	(10,000)
<b>Increase in net assets with donor restrictions</b>	<b>6,649</b>	<b>13,975</b>
<b>Increase in net assets</b>	<b>274,878</b>	<b>322,793</b>
<b>Net assets at beginning of year</b>	<b>2,315,211</b>	<b>1,992,418</b>
<b>Net assets at end of year</b>	<b>\$ 2,590,089</b>	<b>\$ 2,315,211</b>



# 2020 DON MAYES LEADERSHIP AWARD

## Richard Jones

The Guardian Life Insurance Company of America

Under the strong leadership of Richard Jones, The Guardian Life Insurance Company of America, the NADP Government Relations WorkGroup (GRW) has effectively responded to a multitude of state issues such as network leasing, non-covered services, and dental loss ratios, just to name a few.

As GRW chair since 2016, Richard has guided the workgroup’s analysis of the issues and steered them toward consensus positions in their responses, all the while advancing the concerns of the dental benefits industry. In addition, his keen insight and information have assisted the Commission on Advocacy Policy in strategy development.

### Professional Biography

As vice president for State Affairs, Richard manages a multi-state legislative and regulatory agenda primarily in support of Guardian’s Group Benefits business unit. He joined Guardian as its chief communications officer in 2008 and prior to that held executive positions at GE Capital, Mastercard and several global public relations consultancies.

Richard is board chair of the Association of California Life & Health Insurance Companies. He is on the Board of Directors of the California Association of Dental Plans, the Utah Life & Health Guaranty Association, and a member of the Wooster School (Danbury, CT) Board of Trustees. He co-chairs the California Association of Dental Plan’s Legislative and Regulatory Committee and chairs the National Association of Dental Plans’ Government Relations WorkGroup. Richard was elected to the NADP Board of Directors in the fall of 2020.

Richard holds a master’s degree in journalism and a bachelor’s degree in communications, both from Ohio University.

### NADP Volunteer History

Richard has served on multiple NADP volunteer groups, including:

- Communications WorkGroup: 2013-2015
- Government Relations WorkGroup: Member since 2014; Vice Chair, 2016; Chair 2016-Present
- NADPac Committee: Member since 2016
- Participant in Advocacy in Action Events
- Member of GRW Dental Network Leasing Sub-Workgroup

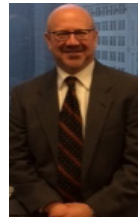
Please join us in congratulating Richard Jones, recipient of the 2020 NADP Don Mayes Leadership Award.



# EVELYN IRELAND VOLUNTEER AWARDS

The NADP Evelyn Ireland Volunteer Award recognizes annual volunteer contributions necessary for the association to accomplish its mission to promote and advance the dental benefits industry and improve consumer access to affordable, quality dental care.

Listed in order by group below:



## **Bruce Walker, Nippon Life**

The Board of Directors honored Bruce for providing continued expertise and service on the Audit Committee.



## **Suzanne Heckenlaible, Delta Dental of Iowa**

Commission on Advocacy Policy (CAP) recognized Suzanne for cultivating and maintaining relationships on the Hill with members of key committees and for her persistent advocacy on the issue of decoupling and independent purchase of dental benefits on public health insurance Marketplaces.



## **Crystal McElroy, MetLife**

Commission on Advocacy Policy (CAP) celebrated Crystal's exceptional effort to coordinate and lead the NADP and CADP response to legislative proposals in California; Crystal has played an instrumental role in drafting alternatives which take all carriers' business operations into consideration.



## **Brooke Ellis, Solstice Benefits**

The Communications WorkGroup praises Brooke for her timely, insightful engagement on multiple volunteer projects.



## **Beth Rutherford, United Concordia Dental**

The Communications WorkGroup commends Beth for her contributions to development of press contacts and a media kit.



## **Art Schoen, Aspen Dental Management**

The Electronic Data Interchange (EDI) WorkGroup recognizes Art for his active participation in the workgroup and knowledge of EDI transactions. In addition, they are praising him for leadership as part of the DSO Advisory Council and serving as liaison between these two groups on EDI challenges.



## **Mike Trebold, Ameritas**

Government Relations WG (GRW) is honoring Mike for his contributions to analysis of legislative issues and leadership in key issues in Nebraska.



## **Gary Pickard, Pacific Dental Services**

Government Relations WG (GRW) commends Gary for his contributions to discussions on strategic planning and proactive advocacy.



## **Brian Correria, Solstice Benefits**

The Membership WorkGroup applauds Brian for providing insight regarding NADP benefits and serving as a panelist for the Membership presentation at Leadership Conference.



## **Sue Wright, Lincoln Financial Group**

The Membership WorkGroup applauds Sue for providing insight regarding NADP benefits and serving as a panelist for the Membership presentation at Leadership Conference.



## **Angela Salverian, United Concordia Dental**

The Research Commission salutes Angela for taking on new roles and projects, being very engaged in re-developing surveys, creating new surveys, and supporting the Shared Research program.

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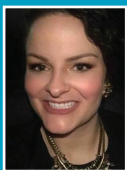
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