

September 28, 2011

Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
Attention CMS-9975-P
P.O. Box 8010
Mail Stop C4-26-05
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Re: Comments on Proposed Rule for Reinsurance, Risk Corridors and Risk Adjustment

To Whom It May Concern:

I am writing on behalf of the Delta Dental Plans Association ("DDPA") in response to the invitation for comments on the Notice of Proposed Rulemaking ("NPRM") for the "Standards Related to Reinsurance, Risk Corridors and Risk Adjustment" included in the *Federal Register* of July 15, 2011.

ACA sections 1341 (transitional reinsurance), 1342 (risk corridors), and 1343 (risk adjustment) clearly are intended to apply to qualified health plans and fully insured major medical business. These "risk allocation" provisions are intended to operate together where the premium rating, rating areas, guarantee issue (no pre-ex) and risk pooling insurance market reforms apply and then to *allocate risks* in light of those rules.

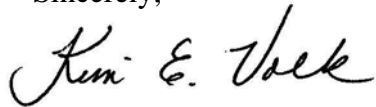
Limited-scope, stand-alone dental coverage is an excepted benefit and so is not subject to the insurance market reform rules that create the need for "risk allocation". Excepted benefits are not qualified health plans (PPACA 1301), and the ACA expressly provides that excepted benefit dental plans are not required to provide the essential health benefits package of comprehensive health insurance coverage (PHSA 2707).

Finally of note, the Senate Finance Committee's report describes this provision as requiring each state to adopt a risk adjustment model to apply to "qualified health plans" (whether or not purchased through an exchange). S. Rep. 111-89 at 14. This legislative history demonstrates the intention of the Congress to not apply these "risk allocation" provisions to excepted benefit coverage like limited scope, stand-alone dental plans.

In conclusion, we respectfully request that in the final rule an "applicability" section be included to explicitly state that these sections are applicable only to qualified health plans.

We very much appreciate the opportunity to submit comments on this important proposed regulation and your time and attention to the dental-related issues. Please let me or my staff know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Kim E. Volk". The signature is written in a cursive, flowing style.

Kim E. Volk
President and CEO

Delta Dental is the nation's largest, most experienced dental benefits system. Since 1954, Delta Dental has worked to improve oral health in the U.S. by emphasizing preventive care, and making quality, cost-effective dental benefits affordable to a wide variety of large and small employers and groups. A nationwide system of dental health service plans, Delta Dental offers custom programs and reporting systems that provide employees with quality, cost-effective dental benefit programs and services. Our nationwide network of 39 companies and 135,000 dentists, serves more than 54 million Americans in over 93,000 group plans across the nation.