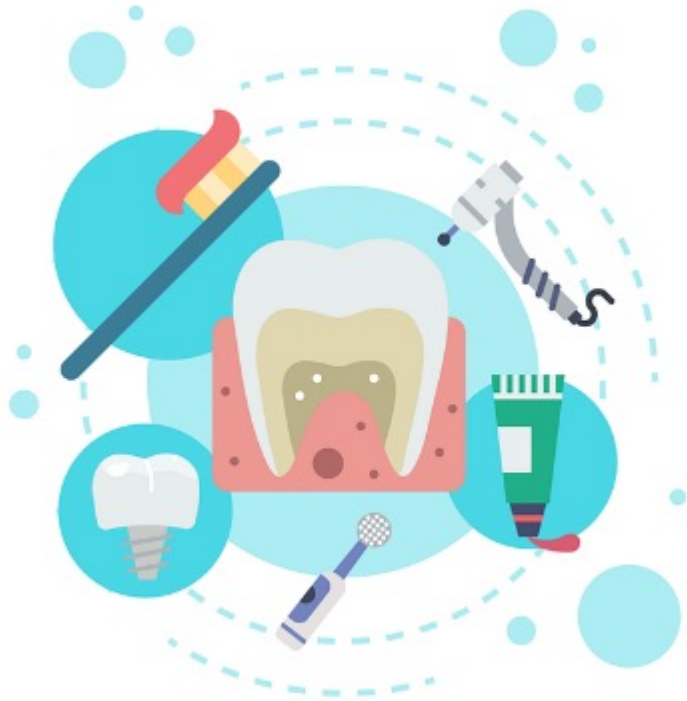


+ Why Group “Opt-in” E-Coms Translates to Better Health Outcomes

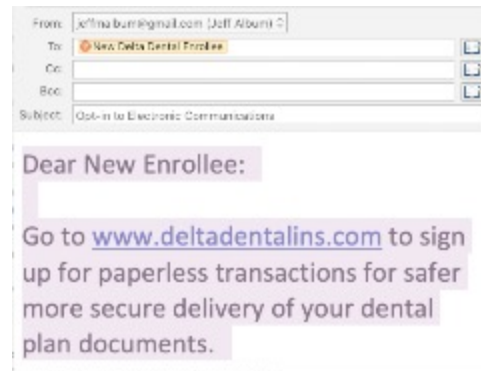


Jeff Album
VP, Public & Government Affairs
Delta Dental of California

+ How things work today

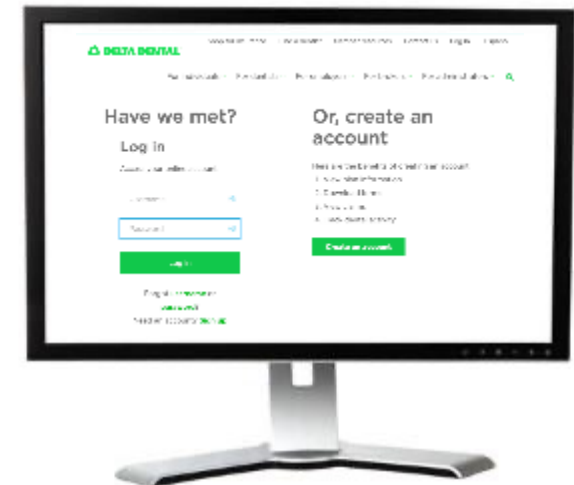


1. Employer buys a health or dental plan.



2. Plan sends every enrollee an e-mail, letter or both asking them to sign-up and opt-in via a web link.

3. Website lets you create an account and opt-in to paperless, choose a dentist and manage the policy.



+ Fewer than 1% of dental enrollees sign up for paperless, while many medical enrollees also skip their chance to opt in

1. People routinely ignore reading their health and dental plan documents, skipping over their chance to opt in.
2. Yet most group health and dental enrollees routinely interact with and perform their work via employer-provided, Internet-connected computers, laptops and smart devices.
3. People are more likely to opt-in to electronic communications with their banks and brokerages. Because that's their money and more top of mind



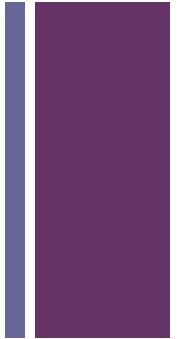
+ So what's the solution?

■ Question:

- How do we increase the number of electronic opt-ins among medical and dental plan enrollees, allowing dental premiums to become more affordable, without discriminating against low-income Californians who can't afford or are not comfortable with Internet-connected devices?

■ Answer:

- Let group benefit managers attest to who has access and allow them to opt-in all employees and family members by default, with the right for anyone to opt-out.
- Make sure this solution has no impact on Medicaid or Medicare beneficiaries, health exchange enrollees or any individual health or dental plan enrollee who does not have a group benefit manager able to attest on their behalf.



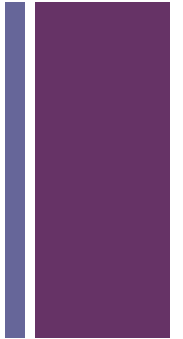
+ States are catching on!

- In 2018, Kansas signed into law SB 348
 - Permits the use of electronic delivery of insurance related documents and gives recipients right to opt-out at any time.
 - Sponsored by Blue Cross/Blue Shield, supported by Delta of Kansas, AHIP and Kansas DOI.
- In 2019, LA signed into law SB 64
 - Allows an employer policyholder of a group plan to consent on behalf of it's covered employees.
- In 2020, WY signed into law SB 23
 - Permits the use of electronic delivery of insurance documents that do not contain PHI and gives recipient right to opt-out at any time; expanded from just P&C to include health.





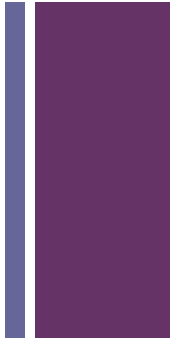
GA, TX and now MS most recent and best in class



- In 2021, TX passed SB 2124, in 2022, GA passed HB 1308, and just last week, MS passed HB 1190. All three cleanly outline the following:
 - A group benefits manager can opt-in all employees and dependents to paperless by default.
 - An attestation process is affirmed that confirms employees have access to email and routinely use electronic communications
 - Opt-out is available to all enrollees at any time.
 - Excepted types of health and dental plans: Medicaid, Medicare, Individual health and dental plan segments (including public health exchange plans)



In summary, the proposal



- **A change from the current *enrollee opt-in* to paperless transactions, to an optional default *group-level opt-in* with *enrollee-level opt-out* of paperless transactions.**
 - An employer can choose on behalf of all employees with known Internet-connected devices and fluency to opt-in to paperless transactions by default. The employee must be allowed to easily opt-out if that is their preference.
- **It's needed because most health and dental enrollees *never bother to read the fine print provided them during open enrollment* where the chance to opt-in to paperless transactions is first offered. The failure to engage a higher percentage of enrollee populations to opt-in raises the cost of healthcare for all, harms the environment and increases carbon emissions.**
- **The proposal does not include individual plan enrollees without a group benefits manager; Medicaid, public health exchange and individual policy holders; group health or dental plan enrollees with a group benefits manager electing not to opt-in as they are unwilling or unable to attest that the enrollee has effective access to electronic communications.**

+ The advantages of E-delivery

- The advantages of e-delivery of insurance documents are many:
 - Information is delivered promptly and securely.
 - It reduces mailing costs which decrease the administrative impact on premiums.
 - It reduces impact to our environment.
 - It assures portability of consumers does not disrupt delivery.
 - It works better during emergency displacement/pandemic.
- Many health consumers who prefer paperless communications simply fail to respond under opt-in rules. Opt-in is often lost “in the fine print.”
- With solid “opt-out” instructions consumers will default to electronic and have an easy path to paper if they choose.

Average Cost Savings

Document Type	Quantity/Year	Cost
EOC (Welcome Kit)	1	\$1.75
EOB (routine cleanings)	8 (2x/family member)	\$4.00 (\$.50 per EOB)
Pre-treatment estimate	2	\$1.00
EOB (for non-routine care)	2	\$1.00
Dependent Max Age Notice	1	\$.50
Annual Renewal Notice	1	\$1.50
TOTAL		\$9.75

**This table represents an estimate of what an average family of four might require in terms of the delivery of paper notices in any given year. Costs may vary depending on a variety of factors.*

+ Language to get it done

- A simple redline of the current NCOIL E-Communications Model Act in Sections 1 (Definitions) and 4 (Delivery) can effectively achieve this proposal.

D. The plan sponsor of a health benefit plan, including a dental or vision plan may, on behalf of a party enrolled in the plan, provide the consent to the mailing of all communications related to the plan by electronic means otherwise required by paragraph (1) of subsection (C) of Section 4. Before consenting on behalf of a party, a plan sponsor must confirm that the party routinely uses electronic communications during the normal course of employment. Before providing delivery by electronic means, the insurer for the health benefit plan must:

(1) Provide the party an opportunity to opt out of delivery by electronic means; and

(2) Document that the applicable provisions of the conditions under [insert citation from state UETA or similar law] are satisfied.

+ Questions?

