



President's Report

Bryan Geremia

▶ As we approach the end of 2011, it seems like only yesterday that I was writing the 2010 Report. Although time seems to slip away quickly, I think we should all reflect on the collaboration and work that your Association engaged in during this year.

A subcommittee of the Board has worked very hard on developing a presentation that will be used to advocate the dental industry's view regarding how dental benefits should be sold within the California state exchange that will be implemented by the California Health Benefits Exchange Board and its Executive Director, Peter Lee. It is critical that the Association influence these issues in order to preserve the competitive landscape both within and outside the California Exchange.

In addition, the Association is re-emphasizing the dental benefits position and the importance of the Association as the "go to source" for all California dental benefit issues with Brent Barnhart, the new Director of the Department of Managed Health Care, and his executive team.

Our CADP/CDA Task Force continues its work with the CDA in responding to issues that affect both our industry and the provider community. The success of this group is supported by the fact that the CDA now turns to us for educational and training assistance that can be used to assist their membership.

There will be many challenges and unresolved issues facing us all as we enter the New Year. There is no better place to familiarize yourself with the issues than at our next **Annual Legislative and Regulatory Conference** which is scheduled for January 17-18, 2012, in Sacramento. We have put together an exciting and very informative program that is a must for you and your staff as they ready themselves to address Health Care Reform and the other issues that we face next year and beyond. We look forward to seeing all of you there, so make your reservations early!

On behalf of the Board of Directors of the CADP, I would like to extend our appreciation for your continued support and commitment to the Association. Have a joyous and wonderful holiday season!

What's Inside

Dots and Dashes

Page 2

In the News

Page 3

Regulatory Update

Page 4

2011 California Legislative Wrap-Up

Page 5-8

22nd Annual Legislative
& Regulatory Conference

Page 9-10



CALIFORNIA
ASSOCIATION
OF DENTAL PLANS

News

The CADP News is published quarterly. Your suggestions and/or comments are encouraged. Please write or call:

**CALIFORNIA ASSOCIATION OF
DENTAL PLANS**

One Capitol Mall, Suite 320
Sacramento, CA 95814-3229

916/446-3122 • FAX: 916/444-7462

Jackie Miller, Executive Director

email: jmiller@amgroup.us
www.caldentalplans.org

CADP Board of Directors

Bryan Geremia
President
Aetna Dental of California Inc.

Jeff Album
Vice President
Delta Dental of California

Kirk Andrews
Secretary-Treasurer
UnitedHealthcare Dental

Stephen Casey
California Dental Network

Samuel Gruenbaum
Western Dental Services, Inc.

Dave Meadows
Health Net of California, Inc.

Robin Muck
Premier Access/
Access Dental Plan

Charles Stewart, DMD
Aetna Dental of California Inc.
(dental director representative)

Brian Watts
First Dental Health

Dots and Dashes

Charles Stewart, DMD
Chair, Quality Management Committee

▶ The 2011 Holiday season is upon us. Economic indicators of consumer confidence and results from Black Friday periods are better than last year, and perhaps indicate the recession that began in 2008 is finally starting to correct itself. However, for many dentists, the economy continues to be a daily burden. The dental industry is reacting, as evidenced by a recent *Los Angeles Times* article which cited the actions some dentists are taking to survive. In addition, there is the uncertainty on the horizon for dental offices – one is Health Care Reform, another is the challenge of the shrinking client and membership pool on the commercial side, and lastly there are regulatory changes in the infection control guidelines as well as the mandated electronic health record. There have been (and probably will be more) necessary adjustments to business models and staffing levels at both the dental office and dental insurance industry offices. In spite of the news about economic indicators pointing to an end of the recession, the dental insurance industry continues to function well in this downturn, due to some necessary but painful actions taken by plans early in the recessionary period.

Where does this put all of us? Once the recovery makes its way to dental plans and dental offices, will Health Care Reform (HCR) place unrealistic expectations on the plan, dental office and patients? Will plans and dental offices find the governing rules and regulations of HCR too restrictive and refuse to participate? Will dental offices charge patients UCR fees rather than what is specified in their contract? Will dental offices cease to operate in lieu of converting office records to an electronic format? And lastly, there continues to be a shortfall in California's budget, which means automatic cuts are being implemented – this in spite of assurances of a balanced state budget for this fiscal year. This issue also affects the dental benefits industry and dental offices, especially with the proposed shift of the Healthy Families Program to the Denti-Cal platform in July 2012.

Now let's review regulations. In 2010 we discussed and complied with the Dental Practice Act, Business and Professions Code and Blood-Borne Pathogen rules. In 2011, the Dental Board of California changed its infection control guidelines (Section 1005b), and this, by law, impacts dental offices as well as plans, which must evaluate compliance with this section in the Quality Oversight function. One specific change with a major impact is the dating of the sterilization bags; all must be dated, thus linking the spore testing with the date of sterilization, to assure instruments are indeed sterilized. One open regulatory issue remaining from 2010 through 2011 is the status of the Discount Regulations (originally expected to be implemented in early 2011). The Office of Administrative Law returned the regulations to the DMHC, not approved. There has not been a formal statement on this subject, but the Department is acting as the regulatory authority over discount plans and rumor has it we will see some action on this in the near future.

In 2011, the Quality Assurance Assessment process is a mature and predictable program. The use of the Shared Assessment Warehouse provides an indication of compliance with the majority of these programs, while at the same time controlling the costs for an individual assessment assumed by a plan. The Warehouse is being used and delivering cost savings to those plans participating, and currently there are a number which will enjoy the highest level of savings by coordinating schedules for assessments while at the same time relieving the participating dentist from the interruption of multiple QA assessments. In 2012 there are three planned QA Consultant courses. The first is offered February 27-28, 2012, at the LAX Marriott. Registration forms for this course can be obtained from me at this time or downloaded from the CADP website, at www.caldentalplans.org. The next course will be in conjunction with the Annual Conference, June 1-2, 2012, at the Renaissance Esmeralda. The last 2012 course will be offered in the fall at Western Dental in Orange. All of you who have your certification expire in 2012 were sent a letter informing you of these options.

continued on page 8...

In the News . . .

▶ **Summary of Benefits Delayed**—The health reform mandate requiring health plans to provide a Summary of Benefits to workers has been delayed. Employers had been required to distribute these summaries by March 23, 2012, but the new deadline has yet to be determined. The Departments of Labor, Treasury and Health and Human Services have released an FAQ stating that compliance with the Summary of Benefits mandate will not be required until a date to be determined in the final rule. Under the mandate, health plans are required to provide enrolled employees with a summary of their benefits and coverage, as well as a plain English glossary of commonly used terms; both grandfathered and non-grandfathered plans are required to comply. In addition, if a plan change takes place during the year, the plan must provide notice to all enrolled employees at least 60 days prior.

▶ **Criticism of IOM Report on 'Essential Benefits' in Exchanges**—More than 2,400 physicians, health policy experts and executives have sent a letter to HHS Secretary Kathleen Sebelius, urging the federal government to reject recommendations by the Institute of Medicine on how to define "essential benefits" in state health insurance exchanges under the federal health reform law. In October, an IOM committee released its recommendations to HHS on how the basic coverage standards for the exchanges should be established and emphasized that affordability should be the agency's main priority. The letter, which was circulated by the Physicians for a National Health Program, a single-payer advocacy group, said the recommendations focus more on "cost rather than medical need."

▶ **HHS Issues Final Rule re MLR**—The Department of Health and Human Services has released the final rule on the medical-loss ratio under the federal health reform law. Under the MLR rule, private insurers are required to spend at least 80% in the individual market or 85% in the group market of their premium dollars on direct medical costs. Insurers that do not comply with the ratio must issue rebates to consumers. According to the Center for Consumer Information and Insurance Oversight at CMS, the final rule leaves these provisions intact and primarily addresses "technical issues involved in the way issuers calculate and report their MLR and the mechanism for distributing rebates to enrollees in group health plans." These changes include adjustments to the rebate process for consumers enrolled in group plans, to carriers of mini-med policies and to carriers of plans offered to residents working abroad. The final rule also allows insurers to claim as a quality improvement activity up to 0.3% of collected premiums for work on the conversion to ICD-10 code sets.

According to a GEO report, 77% of insurers in the large group market and 70% of insurers in the small group market would have met or exceeded the MLR requirements before the final rule took effect. The GEO also found that 43% of insurers offering individual plans would have complied with the provision. GAO noted that insurers in the individual market were less likely to meet the requirements because they had higher expenses for brokers' commissions and fees than other insurers.

▶ **Two-Thirds of Voters Disapprove of Automatic Budget Cuts**—About two-thirds of California voters oppose the possibility of automatic, midyear state spending cuts, according to a Field Poll. The poll surveyed 1,000 registered voters between November 15 and November 27 and has a margin of error of plus or minus 4.5 percentage points. In June, Governor Brown approved an \$86 billion state budget plan that was based on spending cuts, fee hikes and expectations of higher revenue later in the fiscal year. Lawmakers also relied on an assumption that the state would receive \$4 billion in new revenue over what previously was expected through June 2012. Under the state budget package, additional spending cuts could be triggered for health care and education programs if revenue projections fall short by more than \$1 billion.

Additional cuts could include \$100 million from the Department of Developmental Services, \$100 million from In-Home Supportive Services, \$15 million from Medi-Cal, and \$10 million from IHSS anti-fraud initiatives. Officials will make a decision on whether to move forward with the triggered cuts based on estimates by the Legislative Analyst's Office and the state Department of Finance.

▶ **Report Ranks California 24th among States for Overall Health**—A report from the UnitedHealth Foundation, the American Public Health Association and the Partnership for Prevention ranks California as the 24th healthiest state in the U.S. this year. For the report, researchers examined data on 23 health and socioeconomic indicators from CDC, the Census Bureau and other federal agencies. California's ranking this year improved from 2010, when the state ranked 26th. In 2009, the state ranked 23rd. According to the report, the state continues to have low smoking rates, low infant mortality rates, few workplace deaths and high rates of early prenatal care. The report also found that the percentage of Californians who are obese dropped from 25.5% in 2010 to 24.7% this year and that the rate of adults with diabetes dropped from 9.1% last year to 8.6% this year. However, California still has high levels of air pollution, low immunization rates among children and a high rate of residents who lack health insurance. The report ranked Vermont as the healthiest state and Mississippi as the least healthy state.

Regulatory Update

Mary Powers Antoine, Nossaman LLC

▶ I attended the Department's HPO Roundtable meeting on November 30, 2011, on behalf of CADP. The following is a summary of the discussions relevant to dental plans.

I. Division of Financial Oversight

The new Chief of the Division of Financial Oversight, Suzanne Goodwin-Stenberg, was introduced to the group. Ms. Stenberg comes to the DMHC with a long history of service in the public sector. She had been with the Controller's office since 2005. She has previously worked for the then-Office of Auditor General and the Secretary of State, among other positions. Ms. Stenberg is a CPA with extensive experience in auditing but no experience in healthcare.

Ms. Stenberg reported that the DFO has two new corporate examiners, Ted Zimmerman and Arturo Ambriz. Both of these examiners have extensive audit experience, but like Ms. Stenberg, have no experience in healthcare. They both were part of her staff at the Controller's Office. The DFO has also added an additional auditor to the Los Angeles office, Francisco Garcia. Mr. Garcia's position is a two-year temporary one.

The DFO has also added two actuaries to its permanent staff. The first is a senior actuary, Lee Ko. The second is an associate actuary, Debra Mass. Despite the addition of these two individuals, the Department will continue to use third-party actuaries for rate review.

II. California Legislative Update

2012 Legislative Update

Ms. Abu-Rahma reported the Department is closely following the following major bills:

- AB 52 (Feuer and Huffman) - rate approval (exempts specialized plans);
- AB 792 (Bonilla) – California Health Benefits Exchange;
- AB 1083 (Monning) - small group market (exempts specialized plans);
- SB 122 (Price) – exempts dependent coverage for certain specialized and special purpose plans;
- SB 615 (Calderon) – oversight and training of solicitors;
- SB 703 (Hernandez) – establishes a basic healthcare program administered by MRMIB;
- SB 728 (Hernandez) - risk adjustment system for California health benefits exchange (this is likely a spot bill); and
- SB 810 (Leno) – single payor bill.

HPO Legislative Implementation Recommendations

Amy Krause and Gary Baldwin discussed the Department's draft guidance on enrolled bills that impact health plans. The Department will be finalizing its guidance and sending it out to plans shortly. Of note to dental plans, the draft guidance states SB 51 exempts specialized plans.

Regulations under Consideration

Amy Krause indicated the Department will be working on regulations to implement the following 2011 enrolled bills, neither of which applies to dental plans:

- SB 866 - prescription drug coverage; and
- SB 51 – rebates and medical loss ratio.

III. Health Reform Discussion

The Department is working on reconciling the federal ACA-required summary of benefits and coverage and uniform glossary requirements with Knox Keene Act summary of benefits requirements. The implementation date for the federal summary of benefits is March 2012. The federal regulations are expected soon. (Attendees at this meeting suggested the Department sunset the Knox-Keene small group benefit matrix requirement when the federal regulations become effective.)

IV. Timely Access Regulation Annual Report Filing

The Department provided a demonstration of the timely access annual report plans must submit by March 31, 2012. The Department confirmed this filing requirement does not apply to Medicare Advantage, dental and vision plans.

V. Next Meeting

The next meeting of the HPO Roundtable is set for March 14, 2012.

2011 California Legislative Wrap-Up

Pamela C. Loomis, Nossaman LLP

► Bills Supported by CADP

SB 122 (Price) – Health care coverage: dependents:

- Would have cleaned-up last year's SB 1088 (Price) by clarifying that specialized health care service plans are exempted from extending coverage to dependents up to age 26 in conformity with PPACA.
- Two-year bill: Senator Price never set this bill for hearing due to opposition from labor.
- DMHC proceeding with phasing in compliance for dental plans to extend coverage to dependents up to age 26.

► Bills Opposed by CADP

AB 1059 (Huffman) – Chapter 403, 2011 – County Emergency Medical Services Fund reporting requirements:

- Before being gutted and amended on September 7, this bill dealt with health care service plans and unpaid or underpaid claims
- Originally, would have required the imposition of administrative penalties for late or under-paid claims – later narrowed to require timely payment and payment of interest on late or under-paid claims (current law).
- CADP public position before bill was gutted and amended: Opposed, but the Association did not actively lobby against the bill after the penalty requirement was removed.

► Chaptered Bills of Interest

AB 97 (Committee on Budget) – Chapter 3, 2011 – State health care services:

- This trailer bill to the 2011-2012 state budget made the following changes to the Healthy Families Program: increased premiums for enrollees; modified vision benefits; and conformed to Medi-Cal's mandatory co-payment for hospital services.

AB 301 (Pan) – Chapter 460, 2011 – Medi-Cal managed care:

- Extends until January 1, 2016, the prohibition on incorporating California Children's Services program covered services into Medi-Cal managed care contracts, except for contracts within specified county organized health systems and regional health authorities.
- Rationale: Ensures effective medical care for severely ill or disabled children while CCS tests various models of care for these children.

AB 922 (Monning) – Chapter 552, 2011 – DMHC and Office of Patient Advocate:

- Moves DMHC from the Business, Transportation & Housing Agency to the Health & Human Services Agency (HHS).
- Moves the Office of the Patient Advocate from DMHC to HHS.
- Rationale: PPACA implementation necessitates a robust federal-state collaboration that already exists within HHS.

AB 1296 (Bonilla) – Chapter 641, 2011 – State health programs: enrollment and renewal:

- Requires HHS Agency to establish standardized single, accessible application forms and related renewal procedures for state health subsidy programs.
- Rationale: PPACA requires a seamless "no wrong door" application system so that wherever consumers apply they are enrolled into the program for which they are eligible.

ABx1 21 (Blumenfield) – Chapter 11, 2011 First Extraordinary Session – Managed care plan taxes:

- Extends the gross premiums tax on health plans participating in the Medi-Cal Managed Care program to July 1, 2012.
- Scheduled to sunset on July 1, 2011, this tax was extended in order to continue funding the Healthy Families Program.

ABx1 30 (Blumenfield) – Chapter 16, 2011 First Extraordinary Session – Healthy Families Program funding:

- Appropriates \$103.3 million in Special Funds (Children's Health and Human Services Special Fund) to the Healthy Families Program based on the extension of the managed care plan taxes in ABx1 21.

SB 24 (Simitian) – Chapter 197, 2011 – Personal information: privacy:

- Requires any business that is required to issue a security breach notification pursuant to existing law to fulfill specified additional notification requirements.

continued on next page...

2011 California Legislative Wrap-Up... continued from previous page

SB 51 (Alquist) – Chapter 644, 2011 – Health care coverage: medical loss ratios:

- Requires annual rebates to customers when the actual MLR exceeds the standard MLR pursuant to a formula based on federal loss ratio requirements.
- April 25 amendments exempt specialized health insurance and specialized health care service plan contracts from the requirements of this bill.

SB 540 (Price) – Chapter 385, 2011 – Dental Board of California:

- Expands board to include an additional public member.
- Creates a Dental Assisting Council to consider matters relating to dental assistants and make recommendations to the board.

SB 757 (Lieu) – Chapter 722, 2011 – Discrimination: sexual orientation:

- Prohibits group health care service plan contracts from discriminating in coverage between different sex and same sex spouses and domestic partners.

SB 850 (Leno) – Chapter 714, 2011 – Medical records: confidential information:

- Requires electronic health record systems or electronic medical record systems to automatically record and preserve any change or deletion of any electronically stored medical information.

SB 866 (Hernandez) – Chapter 648, 2011 – Health care coverage: prescription drugs:

- Requires DMHC and CDI to develop a standard prior authorization form for drug benefits and shortens the turnaround time for drug prior authorization requests from five days to two business days.

► Bills Amended to Exempt Dental Plans

AB 52 (Feuer) – Health care coverage: rate approval:

- Would require health care service plans and insurers to apply for prior approval of proposed rate increases.
- Would impose on CDI and DMHC specific rate regulation criteria, timelines, and hearing requirements.
- March 25 amendments exempt specialized health care service plan contracts from the requirements of this bill.
- Placed on Senate Inactive File on September 1 – eligible to be passed by Legislature in 2012.

AB 72 (Eng) – Health care coverage: acupuncture:

- Would require every health care service plan and insurance policy to provide acupuncture coverage.
- April 4 amendments exempt specialized health care service plan contracts and insurance policies from the bill.
- Held on Suspense in Assembly Appropriations – eligible to be passed by Legislature in 2012.

AB 171 (Beall) – Health care coverage: autism:

- Would require health care service plan contracts and health insurance policies to provide coverage for the screening, diagnosis, and treatment of autism spectrum disorders.
- April 6 amendments exempt dental-only health care service plan contracts and insurance policies.
- Held on Suspense in Assembly Appropriations – eligible to be passed by Legislature in 2012.

AB 428 (Portantino) – Health care coverage: fertility:

- Would require that health care service plans and health insurers provide coverage for standard fertility preservation services when a necessary medical treatment may cause iatrogenic infertility.
- Author has committed to exempt dental-only health care plans from the bill if and when it leaves the Assembly.
- Held on Suspense in Assembly Appropriations– eligible to be passed by Legislature in 2012.

AB 652 (Mitchell) – Health care coverage: children:

- Would require that initial health assessments and forensic medical evaluations of children be covered benefits under health care service plans licensed pursuant to Knox-Keene.
- April 25 amendments exempt specialized health care service plans from this bill.
- Held on Suspense in Assembly Appropriations – eligible to be passed by Legislature in 2012.

SB 51 (Alquist) – Chapter 644, 2011 – Health care coverage: medical loss ratios (see synopsis, above).

continued on next page...

2011 California Legislative Wrap-Up... continued from previous page

SB 173 (Simitian) – Mammograms: special notice to patients:

- Originally, this bill required health care service plan contracts and health insurance policies to cover comprehensive breast cancer screening.
- March 30 amendments exempted specialized health care service plans and insurance policies from the requirements of this bill.
- May 3 amendments changed the bill to notify patients of breast density issues.
- Held on suspense in Assembly Appropriations – eligible to be passed by Legislature in 2012.

SB 946 (Steinberg) – Chapter 650, 2011 – Health care coverage: autism:

- Requires health care service plans to cover the screening, diagnosis, and treatment of autism spectrum disorders.
- Specialized health care service plans are exempted from the bill.

► Bills Related to Federal Health Care Reform

AB 714 (Atkins) – California Health Benefit Exchange:

- Would require the Department of Health Care Services, Department of Public Health, and MRMIIB to disclose information about the CA Health Benefit Exchange's health care coverage to every individual who has ceased to be enrolled under state health programs.
- Held on suspense in Senate Appropriations – eligible to be passed by Legislature in 2012.

AB 792 (Bonilla) – California Health Benefit Exchange:

- Would require health plans and insurers, employers, and courts to notify individuals who are ceasing to be enrolled due to loss of employment or other "life events" of health care coverage through the California Health Benefit Exchange and begin "pre-enrollment" activities on behalf of these individuals.
- Held on suspense in Senate Appropriations – eligible to be passed by Legislature in 2012.

AB 1334 (Feuer) – Health care coverage:

- Would require plans and insurers to categorize all products offered in the individual market into five (5) tiers according to actuarial value.
- Held without hearing in Senate Health – eligible to be passed by Legislature in 2012.

SB 703 (Hernandez) – Basic Health Program:

- Would establish a Basic Health Program under MRMIIB to provide health plan coverage to people under age 65 with family incomes between 133%-200% FPL in lieu of federal premium tax credits and cost-sharing subsidies through the California Health Benefit Exchange.
- June 28 amendments allow specialized health care plans to be considered by MRMIIB for participation in the Basic Health Program.
- Held on suspense in Assembly Appropriations – eligible to be passed by Legislature in 2012.

SB 728 (Hernandez) – Health care coverage:

- Would require the California Health Benefit Exchange Board to work with the Office of Statewide Health Planning and Development, the Department of Insurance, and the Department of Managed Health Care to develop a risk adjustment system for products sold in and outside of the Exchange.
- Held without hearing in Assembly Health – eligible to be passed by Legislature in 2012.

Miscellaneous Two-Year Bills

AB 53 (Solorio) – Diversity in procurement:

- Would require major California insurers to submit to the Insurance Commissioner:
- a plan for increasing procurement from women, minority, and disabled veteran business enterprises (WMDVBEs) and an annual report regarding their implementation efforts.
- Sitting in Assembly Appropriations – eligible to be passed by Legislature in 2012.

AB 310 (Ma) – Prescription drugs:

- Would prohibit health plan contracts and health insurance policies that cover outpatient prescription drugs from requiring coinsurance, and would impose limitations on co-payments and out-of-pocket expenses.
- Sitting in Assembly Appropriations – eligible to be passed by Legislature in 2012.

continued on next page...

2011 California Legislative Wrap-Up... continued from Page 7

SB 615 (Calderon) – Solicitor training:

- Would require the DMHC to train solicitors of health care service plan contracts (and require the solicitors to complete the training) regarding the federal PPACA, the California Health Benefit Exchange, the Knox-Keene Act and ethics.
- The initial goal of this bill was to ensure that navigators in the CA Health Benefit Exchange were licensed.
- Held on suspense in Senate Appropriations – eligible to be passed by Legislature in 2012.

SB 690 (Hernandez) – Discrimination:

- Would prohibit health care service plans and health insurers from discriminating with respect to provider participation or coverage under the plan against any provider who is acting within the scope of that provider's license or certification.
- Held on suspense in Senate Appropriations – eligible to be passed by Legislature in 2012.

Dots and Dashes... continued from page 2

▶ CADP has been very active in the task force to work directly with the CDA. This group is composed of Jeff Album (Delta Dental), Courtney Barnes Ransom (MetLife), Jackie Miller and myself (Aetna Dental). Its goal has been to establish open communication between the CDA and CADP, with the ultimate goal of resolving issues and situations before CDA resorts to a legislative solution. The CDA has promised to share its legislative intent with this group either this month or early January 2012. I am grateful that CADP has this opportunity for open discussion and interaction with the CDA.

The next meeting of the CADP Quality Management Committee will be held in conjunction with the CADP Legislative and Regulatory Conference. This meeting is scheduled for January 17, 2012, at 10:30 am, at the Sheraton Grand in Sacramento. We will provide updates on current committee activities. Please plan on staying after the QM Committee meeting to attend the conference as this will give you a heads-up on legislative and regulatory issues for 2012 – extremely important with the new staff at the DMHC and Exchange Board.

One sad bit of news – Chester Kaufman, DDS, a pioneer in this industry, passed away on November 30. Chet was one of the first dentists to accept a dental HMO plan in his office and became a shining example of how to make this model of dental practice work, and work well. Chet participated on many advisory committees for plans as well as for the industry as a whole. His contributions to the industry, as well as to dentistry as a whole, will continue to provide a legacy for all of us in the future. I will miss his insight and contributions to this industry, and to our courses.

At this Holiday Season, it is important to take time to enjoy celebrations and family time. I would like to take this opportunity to wish all of you a very Happy and Joyous Holiday Season and prosperous New Year. I would like to thank all of you for your assistance in making 2011 as successful as it was.

*Holiday
Greetings*

from All of Us... to All of You!

22nd Annual Legislative & Regulatory Conference

January 17-18, 2012 - Sheraton Grand Hotel, Sacramento CA
"Seismic Shifts: California's Healthcare Landscape"

► Healthcare reform shrouds California's dental benefits industry – indeed the nation's – in a decidedly unbalanced state. Here in California, add in another \$26 billion state budget deficit, a new governor and the nation's very first "exchange governance board," and what it all means is, well, no one is quite sure.

Which all goes to explain why this year's Legislative and Regulatory Conference takes on the theme of "Seismic Shifts."

This year's conference may not generate single clear and definitive answers, but the exceptional collection of programs and speakers we've brought together should help us ask the right questions about the shape and form of the challenges confronting our businesses in the year ahead.

We're using the theme "Seismic Shifts" in part because, at best, we're only scratching the surface of California's shifting healthcare landscape. "Part II" will be continued at the CADP Annual Conference in June, when perhaps a few more answers will be known, and for sure a whole lot more questions can be posed. Until then, join us for the first of a two-part series you can't miss if you want to be a participant in the creative problem-solving the hard months ahead will require.

Conference Highlights. . .

- Our Keynote Speaker: Few people can explain the pulse of California's economy better than State Treasurer Bill Lockyer. Is the State finally climbing out of the recession? When will the economy begin to ease the state budget picture? And what about the business climate? We'll hear straight talk from this political veteran. . .
- Our Luncheon Speaker: New Benefits Exchange Board Exec Peter Lee knows California's healthcare landscape from his seven-year tenure as CEO of the Pacific Business Group on Health. He has a huge job ahead of him – getting California's Exchange up and running by January 2014. . .
- Who can imagine a more critical time for voters to change the dynamic in Sacramento? Tony Quinn of the California Target Book returns to talk about redistricting and the new open primary and their impacts on the California Legislature, as well as the political climate not only in Sacramento but D.C., too, in this pivotal election year. . .
- The California Exchange: As usual, our state is way ahead of the rest of the country in getting down to the intricacies of the Affordable Care Act. Our own Jeff Album, who knows more about the ins and outs of ACA than just about anyone, heads this panel of experts, including Exchange Board Member Kim Belshé and the Chamber's Jeanne Cain. . .
- Lobbyists' roundtable discussion. . . always the latest from CADP's Pam Loomis, CDA's Liz Snow, CAHP's Nick Louizos and industry lobbyist Dan Chick of Health Net. . .
- How is the regulatory climate in California changing? Or is it? CADP's Mary Antoine moderates a discussion between our two regulators, DMHC's Brent Barnhart and Geoff Margolis of the Department of Insurance. . .
- Public health programs have taken a severe hit over the past several years. What about Healthy Families, Medi-Cal, Denti-Cal, the reduction and elimination of optional benefits? What does this mean for plans and providers participating in these programs? How can these programs survive? DHCS Associate Director Len Finocchio and Health Net's Dave Meadows try to make sense of it all in budget-cutting times. . .
- Plus: Member update during the plan-only business meeting. . .

CADP has reserved a room block at the Sheraton Grand Sacramento, at a rate of \$159 per night. To guarantee the room rate, reservations must be made by January 6, 2012. Call 800.325.3535 to reserve your room, and ask for the special CADP rate, or go to www.caldentalplans.org and click on the hotel reservation link. Availability at Sacramento hotels is at a premium this time of year, and our room block always sells out. RESERVE EARLY!

► SCHEDULE OF EVENTS (SUBJECT TO CHANGE)

Tuesday, January 17, 2012

10:30 am	Quality Management Committee meeting (Gardenia Room, Grand Nave Ballroom)
12:15 pm	Board of Directors' meeting (Bataglieri)
3:00 – 5:30 pm	Registration (Gardenia Foyer, Grand Nave Ballroom)
4:00 – 5:00 pm	CADP Business Meeting (plan members only) (Gardenia Room, Grand Nave Ballroom)
6:30 pm	Reception and Dinner (Gardenia Room, Grand Nave Ballroom)
	Keynote Speaker: State Treasurer Bill Lockyer

Wednesday, January 18, 2012

- 7:00 am Registration (Camellia Foyer, Grand Nave Ballroom)
- 7:30 am Continental breakfast (Camellia Room, Grand Nave Ballroom)
- 8:00 am Conference convenes (Camellia Room, Grand Nave Ballroom)
- 8:15 am – 9:00 am Lobbyists' Roundtable
Moderator: Pamela Loomis, *CADP legislative consultant*
Nicholas Louizos, Director, Legislative Affairs, *California Association of Health Plans*
Daniel C. Chick, *Health Net*
Liz Snow, COO, *California Dental Association*
- 9:00 am – 9:45 am "Redistricting and the Open Primary: What Does It Mean for 2012?"
Tony Quinn, PhD, *California Target Book*
- 9:45 am – 10:30 am "Public Health Programs: Planning for Change?"
Moderator: Dave Meadows, Vice President, *Health Net*
Len Finocchio, Dr. P.H., Associate Director, *Department of Health Care Services*
- 10:30 am – 10:45 am Break
- 10:45 am – 11:30 am "The California Exchange: What We Know, What We Don't Know" (Part II)
Moderator: Jeff Album, Vice President, *Delta Dental of California*
Kim Belshé, Senior Policy Advisor, *Public Policy Institute of California* & Member, *California Health Exchange Board*
Jeanne Cain, Executive Vice President, Policy, *California Chamber of Commerce*
- 11:30 am – 12:15 pm "The Regulatory Environment"
Moderator: Mary Powers Antoine, *CADP regulatory counsel*
Brent Barnhart, Director, *Department of Managed Health Care*
Geoff Margolis, Deputy Commissioner & Special Counsel, *Department of Insurance*
- 12:30pm – 2:00 pm Luncheon (Beavis Room)
Peter Lee, JD, Executive Director, *California Health Benefit Exchange Board*
- 2:00 pm Conference concludes

A packed agenda – one you, and everyone at your company who's involved in legislative, regulatory and compliance issues, can't afford to miss – send your registration today!



CALIFORNIA ASSOCIATION OF DENTAL PLANS
22nd Annual Legislative and Regulatory Conference
January 17 - 18, 2012 ♦ Sacramento, CA

Registration Form

Please complete one form for each participant.

Name _____

Title _____

Organization _____

Address _____

City/State/Zip _____

V _____ F _____

E _____

REGISTRATION FEES

	By Jan. 5	After Jan. 5/On-Site Fee
<input type="checkbox"/> CADP member registrant	\$400	\$500
<input type="checkbox"/> CADP member - additional registrant(s), same company	\$300	\$400
<input type="checkbox"/> Non-Dental Specialized Plan (introductory rate)	\$400	\$500
<input type="checkbox"/> Non-CADP member registrant	\$500	\$600
<input type="checkbox"/> State rate (maximum of 2 attendees)	\$125	\$175
Total amount enclosed	\$_____	

PAYMENT INFORMATION

MasterCard/VISA American Express

Credit Card Number _____ Exp Date _____ Billing Zip Code _____

Name on Card _____

Signature _____ Security Code _____

REGISTRATION DEADLINE

Early registration must be made by January 12, 2012. A \$100 late fee will be added for registrations received after that date.

CANCELLATION POLICY

Only written cancellations received by January 12, 2012, will receive refunds (less a \$75 processing fee). No refunds will be made after that date.

Please return this form and payment to:

CADP, One Capitol Mall, Suite 320, Sacramento, CA 95814
v: 916.446.3122; f: 916.444.7462; Tax ID# 33-0385553

QUESTIONS? CALL CADP: 916.446.3122, or FAX 916.444.7462