

State of Alaska
RETIREE HEALTH PLAN ADVISORY BOARD
Related to Enhancing the Dental Benefits Available Under the
AlaskaCare Retiree Standard Dental-Vision-Audio Plan

Resolution 2025-03

WHEREAS, the Retiree Health Plan Advisory Board (Board) is authorized by Administrative Order No. 336 to facilitate engagement and coordination between the State of Alaska's retirement systems' members, the Alaska Retirement Management Board, and the Commissioner of Administration regarding the administration of the AlaskaCare Retiree Health Plan; and

WHEREAS, the AlaskaCare Retiree Dental-Vision-Audio (DVA) Plans are funded by members' monthly premium payments; and

WHEREAS, the Division of Retirement and Benefits (Division) currently administers two DVA Plan options, the Legacy Plan and the Standard Plan; and

WHEREAS, the Legacy Plan maintains fidelity to the DVA Plan benefits established prior to 2014 and reimburses out-of-network providers at a higher rate; and

WHEREAS, the Standard Plan was established in 2020 to help retirees offset the cost of their dental care; and

WHEREAS, the Standard Plan allows coverage for prophylaxis (cleaning) or periodontal maintenance up to two times per benefit year, or up to four times per benefit year for those with periodontal disease; and

WHEREAS, Standard Plan members can only access additional cleanings through the Oral Health Total Health (OHTH) program offered by the contracted third-party vendor, Delta Dental, which provides two additional yearly cleanings for those with diabetes, and one additional cleaning for members in their third trimester of pregnancy; and

WHEREAS, 3D dental imaging is becoming more common practice for diagnostic purposes in dentistry, and is not a covered benefit under the Standard Plan; and

WHEREAS, under the Standard Plan, the topical application of fluoride is limited to twice in a calendar year up to age 19, and for those age 19 and older, up to twice in a calendar year only if there is a history of periodontal surgery, high risk of decay due to medical disease, chemotherapy, or a similar type of treatment; and

WHEREAS, under the Standard Plan, sealant application or repair, per tooth, and preventive resin restoration for a permanent tooth of a moderate to high caries risk patient is also currently covered;

however, coverage is limited to the unrestored occlusal surfaces of permanent molars once per tooth in any five-year period; and

WHEREAS, the coverage for crowns is provided under the Standard Plan as a Class III Prosthetic Service, when necessary to restore decayed or broken teeth to a state of functional acceptability, limited to once in a seven-year period per tooth, up to the allowable amount for a metallic crown, and the difference between the metallic crown and porcelain crown is currently paid by the member; and

WHEREAS, the Division of Retirement and Benefits (Division) has proposed to consider 1) removing Delta Dental's OHTH program, and increasing Plan coverage from two, to four prophylaxis, scaling, and periodontal maintenance visits per calendar year for all Standard Plan members; 2) allowing coverage for 3D imaging, once per calendar year; 3) increasing the allowance for the topical application of fluoride from two times per calendar year based on age criteria, to four times per calendar year with no age limit, and removing current eligibility criteria for sealant application, sealant repair, preventive resin restoration in a moderate to high carries risk patient for a permanent tooth and allow once per tooth per year for each service; and 4) reducing the frequency limit from once per tooth every seven years, to once per tooth every five years and updating the reimbursement allowance from the allowable amount for a metal crown, up to the allowable amount for a porcelain crowns, as outlined in detail in the Program Proposal presented to the Retiree Health Plan Advisory Board on July 21, 2025 (Program Proposal); and

WHEREAS, the Program Proposal has been evaluated by an independent certified Fellow of the Society of Actuaries, who found that implementing all proposed changes would result in enhancements to the Plan that are favorable for members and would have an actuarial value increase of 2.86 percent; and

WHEREAS, the Program Proposal has been evaluated by an independent certified Fellow of the Society of Actuaries, who found that the proposed change is anticipated to result in approximately \$870,000, or 1.46 percent in additional annual claim costs to the Plan; and

WHEREAS, the Division has solicited public comments on the Program Proposal to enhance the dental benefits under the Standard Plan, which resulted in 100% of public comments in favor of the implementation; and

WHEREAS, the Division's analysis has included: evaluation of the need and rationale for the proposed change, data analysis based on actual experience, evaluation of the impact of the changes to the current benefits; evaluation of any gaps, restrictions, reductions, eliminations, expansions, or additions to the current benefits; the number of members potentially impacted by changes and the seriousness of any impacts;

NOW THEREFORE, BE IT RESOLVED THAT THE RETIREE HEALTH PLAN ADVISORY BOARD recommends the AlaskaCare Standard DVA Plan implement the proposed enhancements to the dental benefits, as outlined in the Program Proposal submitted to the Board on July 21, 2025, to be effective January 1, 2026.

DATED this 6th day of October 2025.