



The value of dedicated dental plans

At 2016 year-end, 249 million Americans had dental benefits, of which the overwhelming majority had dental coverage separate from their medical coverage. Dedicated plans are typically offered by companies that specialize in dental care and have separate deductibles and out-of-pocket maximums that are not affected by medical coverage.

Dedicated plans are designed to address preventive and predictable oral health needs by:

- 1 Encouraging regular use of preventive dental care** with the inclusion of certain services (check-ups, cleanings, exams, etc.) generally covered at 100%.
- 2 Offering lower deductibles to reduce the cost barrier of addressing a dental problem** before it elevates to a larger issue.
- 3 Elevating the importance of routine oral health maintenance** to distinguish oral care from traditional medical care, which has a fundamentally different nature of care.
- 4 Including a coverage cap to control costs** of dental insurance from year to year.
- 5 Having a typical 100-80-50 benefit structure to serve the needs of patients** while also encouraging personal participation in maintaining good oral health.

The nature of dental care is distinct from medical care

- Oral disease is chronic and progressive, taking shape over time.
- Nearly all oral diseases can be prevented.
- Dental care rarely involves emergencies.
- Procedures are common and predictable and routine dental visits are encouraged.
- Dental costs can be budgeted for since care is oriented around consistent visits.

Dedicated dental plans provide:

Value
Provide the consumer with a good value for dental care in particular

Affordability
Make dental care more affordable by separating it from high medical deductibles

Service
Have customer service and claims processes designed specifically for dental

Network
Have larger dentist networks and better out-of-network coverage

Family care
Are more likely to provide benefits for the whole family

A deeper look at dedicated dental plans

Affordability: Dental care is more affordable when separate from a high medical deductible.

- According to an analysis by the Health Policy Institute, dedicated plans on the ACA exchanges range from \$20 to \$200, whereas the average medical deductible for embedded plans on the ACA exchange is approximately \$2,900.
- The same analysis finds that most embedded plans require the medical deductible to be met before cost-sharing occurs. This makes out-of-pocket costs much higher in embedded plans.
- Even if preventive care has first-dollar coverage, if a dental problem is identified, beneficiaries are disincentivized from seeking restorative care, like fillings and crowns, because of the high medical deductible.

Value: Dedicated plans ensure consumers get a better value for dental care in particular, solving for the need to choose between dental and medical care.

- All certified dedicated plans are subject to value requirements that ensure the insurer covers 70% to 85% of dental costs for the average individual's dental needs.
- Embedded plans are not subject to separate value requirements for dental benefits. Two embedded plans with the same designated value could have very different dental benefits, some much more limited.

Access: Dedicated plans have larger networks and better out-of-network coverage.

92% of dedicated plans offer out-of-network coverage



■ Out of network

- In 2014, nearly all dedicated plans offered out-of-network coverage compared to only half of embedded plans, according to an analysis by the Health Policy Institute.
- Dedicated plans often have larger networks of dentists, making it easier to find a dentist that is convenient to visit.
- Large networks equal cost savings for consumers because network dentists accept pre-negotiated, discounted fees for services.

Service: A focus on dental care means better service and more efficient claims processing.

- Unlike other coverage models, dedicated dental plans solely focus on dental care, meaning they offer more resources such as education programs and cost estimators created to help individuals make informed oral health care decisions.
- By focusing only on dental services, providers that offer dedicated plans have greater speed and accuracy in claims processing.
- Dedicated plans offer plans of various sizes, allowing consumers to choose the size and flexibility of their network of dentists.

Family care: Dedicated plans are more likely to provide benefits for the whole family.

- The value parents place on oral health plays an important role in the status of their children's oral health.
- Research shows millions of children miss school each year due to oral health problems.
- Low-income parents who have preventive dental visits are 5x more likely to take their children to the dentist than parents who don't seek routine care, according to the Washington Dental Service Foundation.

Percent of plans on public exchange providing dental

