

Consumers

Coverage

What types of dental benefits are available?

There are four key types of dental benefit products in the market today, i.e. Dental HMOs, Dental PPOs, Dental Indemnity (or traditional) Insurance, and Discount Dental Plans. The first three are insurance which means that the company pays a portion of your dental care. Discount dental plans simply provide discounts, so you pay the discount cost of dental care yourself.

Here are a few points to help you understand these products:

Dental HMOs – You must use a dentist in the network for your dental care to be covered. You select a general dentist when you join the network. If specialty care is needed, a referral may be required.

The premium for this type of coverage is usually the lowest of the insurance plans. There are no annual maximums and usually no deductibles.

Most often a schedule of co-payments in fixed dollar amounts shows your payment responsibility for each dental procedure or office visit. So your out-of-pocket cost is predictable.

More companies offer DHMOs for individuals than other products.

Dental PPOs – When you use a dentist in the network, more of the cost of your dental care is covered, but there is some payment when you obtain care by dentists that are not in the network.

The premium for this type of coverage is mid-range among dental insurance plans. There is an annual maximum payment from the company and a small deductible—about \$50.

The amount paid by the company for your dental procedures is usually stated as a percentage.

A typical plan covers 100% preventative, 80% basic and 50% major. So the patient share of treatment cost is what is left, i.e. nothing for prevention, 20% for minor and 50% for major (see: *What do dental plans normally cover?*).

Because dentists in DPPO networks agree to discounted payments for the care they provide, they cannot bill you the difference between their usual fee and what is negotiated by the company. So you are paying a share of a lower cost for procedures.

Some companies offer this product to individuals.

Dental Indemnity Insurance – This is traditional insurance; you can go to any dentist for care.

The premium for this type of coverage is the highest among dental insurance plans. There is an annual maximum payment from the company and a small deductible—about \$50.

The amount paid by the company for your dental procedures is usually stated as a percentage just like a DPPO (see above). There are no discount arrangements with the company, so you pay a percentage of the dentist's usual fee. So your share of the cost is higher than in a DPPO.

There are a few companies that offer this product to individuals in some states.

Discount Dental Plans –In a discount program you pay the full cost of your dental care but at the discounted rates that have been agreed to by the dentists. You must use a dentist in the network to get the discount.

The cost of this plan can be lower than but may be comparable to a Dental HMO.

This is not insurance. It is the most widely available dental benefit product for individual consumers.

What do dental plans normally cover?

There are seven basic areas of dental care that policies cover. In individual plans, there may be limits on what is covered in the first year of the policy. For instance, the first four categories of procedures will be covered in the initial year of a policy with the last two available in later years. Orthodontics is most often a rider that can be selected when relevant.

1. preventative care, i.e. cleaning, routine oral exams, x-rays, fluoride & sealants;
2. restorative care, i.e. fillings and crowns;
3. endodontics, i.e. root canals;
4. oral surgery - tooth removal and minor surgical procedures such as tissue biopsy and drainage of minor oral infections;
5. orthodontics--retainers, braces, etc.
6. periodontics – gum disease treated by scaling, root planning and management of acute infections or lesions; and
7. prosthodontics—implants, dentures and bridges.

Most plans cover 100% of preventative care and apply co-payments, either as a dollar amount (DHMOs) or as a percentage (DPPOs and Dental Indemnity/Traditional Insurance) to other levels of care. Other procedures are usually classified as “Basic” and “Major.”

Basic procedures, i.e. office visits, extractions, fillings, root canals, and treatment for gum disease, are typically covered at a higher percentage amount, for instance 80%, or with lower dollar co-payments in the case of a DHMO.

Major procedures, i.e. crowns, bridges, inlays, and dentures are usually covered at a lower percentage, such as 50% or a higher dollar co-payment in the case of a DHMO. Root canals can also be covered in this category rather than as a Basic procedure. Some carriers now offer coverage for implants under this category of coverage.

Are there waiting periods for some procedures? Under individual policies, there are often waiting periods for major procedures. This is not as common under group policies.

Cost

How much do individual dental benefits cost? Unlike the cost of health insurance, the cost of dental benefits has increased slowly over the last 10 years. The table below provides national averages for the most common coverage. For most the cost is less than your daily cup of coffee. (NOTE: Costs will vary by area of the country and coverage.)

Individual policies are generally more expensive than under a group policy and individual policies do not cover orthodontia. There may also be other coverage limitations and/or waiting periods in individual products. The estimated national average monthly and annual dental premiums for 2007 are illustrated below for DHMO & DPPO¹:

Individual:

DHMO --	\$14.19 a month--\$170 annually
DPPO --	\$43.64 a month--\$524 annually

Family²:

DHMO --	\$40.63 a month--\$488 annually
DPPO --	\$127.64 a month--\$1532 annually

¹ There was insufficient information reported to calculate national average costs for individual dental indemnity/traditional coverage in 2007.

² See above.

What is the value of dental benefits?

Consumers reported in 2007 that “lack of insurance” was the top reason for not going to the dentist so dental benefits provide the consumer access to dental care. Regular dental care reduces the risk for development of more serious dental disease and other illnesses. Individuals without dental coverage are 2.5 times more likely not to visit their dentist, which means they are more likely to lose time from work or school due to untreated dental problems.

Consumers with dental benefits also reported that they received more needed treatment and had fewer teeth extracted; consumers with dental benefits were

- 52% more likely to have had a root canal;
- 32% more likely to have had a crown;
- 18% more likely to have a cavity filled,
- 33% more likely to have received some form of periodontal maintenance, and
- 30% *less likely* to have had an **extraction**.

When it comes to dental health, realistically, you'll either pay a little for a healthy smile now or pay a lot for treatment and other health problems later. Studies show that the longer the delay in taking care of your dental health, the greater the cost will be.

How much do benefits cost under a group policy?

Depending on the type of dental benefit—DHMO, DPPO or Dental Indemnity, the employee's premium is about the cost of having dinner out once a month—ranging from \$16.10 to \$32.90 monthly or \$193 to \$395 on an annual basis in 2007. Even at the high end of that range—dental benefits cost annually what medical premiums cost an individual on a monthly basis. Estimated annual dental premiums for 2007 are outlined below as national averages for typical group coverage:

Employee Only (including orthodontia):

DHMO --	\$16.10 a month--\$193 annually
DPPO --	\$29.42 a month--\$353 annually
Indemnity --	\$32.90 a month--\$395 annually

Employee only (without orthodontia):

DHMO --	\$15.60 a month--\$187 annually
DPPO --	\$28.93 a month--\$347 annually
Indemnity --	\$32.04 a month--\$385 annually

Employee & Family (including orthodontia)³:

DHMO --	\$49.92 a month--\$599 annually
DPPO --	\$94.90 a month--\$1139 annually
Indemnity --	\$104.13 a month--\$1250 annually

Discount Dental Plan fees can range from a few dollars a month to \$10 or \$12 dollars a month for an individual or \$20 to 30 a month for a family.

What will I pay up front for individual coverage?

Carriers may require payment of the full annual premium for individual coverage. If coverage is issued and cancelled, the carrier may not have the funds needed to pay for the pool of individuals that are covered.

Many carriers allow a contract to be signed that deducts the monthly or quarterly premium from a bank account or charges it to your credit card.

³ Family coverage extends to the insured, spouse and dependents—no matter the number. There are usually separate, lower rates for an insured with a single dependent so family coverage is usually 3 or more individuals.

Carriers

How do I get dental benefits?

Dental benefits offered through your employer or another group such as AARP are group policies. Group policies have lower premiums and better coverage than individual policies. So your first choice should be to enroll at work if benefits are available.

If dental benefits are not offered through your place of employment, ask for them. NADP's *2005 Group Purchaser Behavior Study* reports 71% of all employers now offer dental coverage and the majority of them consider it an essential benefit to provide to employees. Employers can offer coverage without contributing to the cost and still provide a better value for the employees with lower premiums and better benefits.

Provide your employer with a copy of NADP's white paper, "Dental Benefits Deliver High Employer, Employee Dividends" ([link white paper here](#))

If individual dental coverage is the option for you, **use this carriers' link for a directory of dental plans** in your state. The directory allows you to search for carriers in your state that offer individual coverage. It also provides links to company web sites and phone numbers to call to find coverage.