



# Dental is Different: Facts About Dental Benefits



## Dental benefits lower health care costs and improve oral and overall health

**🦷** Maintaining dental coverage that is affordable and accessible is important in reducing overall health care costs and improving oral health.

**🦷** Individuals with dental coverage visit and take their children to the dentist more often, and are more likely to receive the care they need, when compared to individuals without coverage.

**🦷** Cost of dental care related to lack of insurance was 2.7 times more likely to be reported as the reason for not going to the dentist than fear of going to the dentist.<sup>i</sup>

**🦷** Treatment of periodontal disease is connected to lowering the treatment costs for chronic medical conditions such as diabetes and coronary artery disease.<sup>ii</sup>

**🦷** Most of the more than 2 million dental-related visits to hospital emergency rooms were for preventable conditions that could have been addressed earlier in a dental office at a significantly lower costs.<sup>iii</sup>

*75% of persons with dental benefits have seen a dentist in 2019 compared to only 47% of those without*

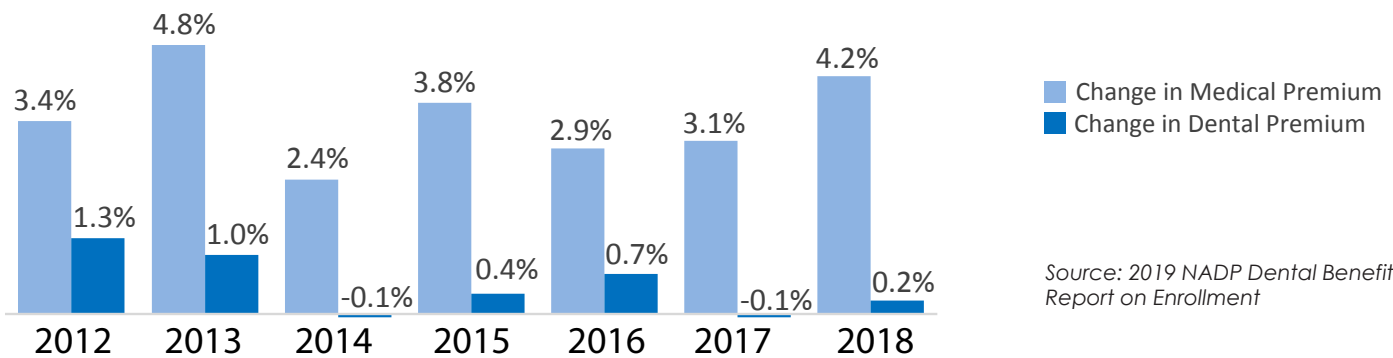
## Dental benefits deliver value at low and stable premiums

A typical dental plan is designed to promote frequent preventive care and early treatment while also providing some coverage of major services (e.g. crowns and periodontal surgery).

Over the last 5 years, the dental benefits industry has had negative premium growth in some years and the highest positive yearly change was only 1.35%.

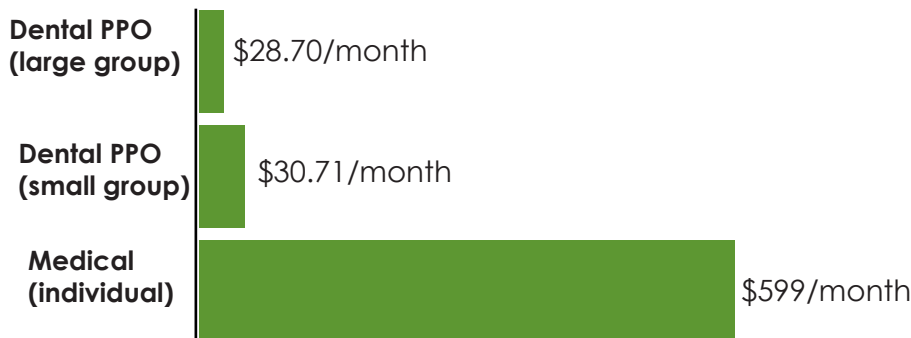
*The average dental premium = \$25 - \$30 a month*

## National Change in Premium



Source: 2019 NADP Dental Benefits Report on Enrollment

## Dental vs Medical Monthly Premiums



*Dental plan premiums cost, on average, only 1/20<sup>th</sup> of medical premiums*

2019 NADP Financial Operations and Premium Report. Monthly dental PPO premium for large group is \$28.70/month; small group is \$30.71/month. Kaiser Family Foundation Employer Health Benefits Survey reported annual premium for an individual with an employer sponsored policy at \$7,188/year, \$599/month.)

- A typical policy has a \$25-\$30 monthly premium, a very low deductible, no cost sharing for preventive care, and low cost sharing for basic care like filings.
- 95% of Americans with coverage never hit the annual benefit maximum in a year. A typical limit is \$1,500, with a range of \$1,000 - \$2,000.

# Dental benefits differ from medical benefits

99% of private dental benefits are sold separately from medical

- More than 99% of private dental benefits are sold under a separate policy from medical coverage. 92% of all private dental coverage consumers enroll in dental benefits through their employer.
- Dental benefit plans offer a wide variety of products and their design differs fundamentally from medical plan design because dental claim frequency is higher, but the severity of claims is lower.
- Dental benefits and medical benefits are very different in terms of diseases treated, diagnostic cost and complexity, and the role for prevention and delivery of care, all which impact benefit structure and types of services covered.
- Most dental diseases can be treated at a much lower cost than medical illnesses or injury.

| How Medical and Dental Practice Differ  | Medical       | Dental     |
|---|---------------|------------|
| Diseases Treated                        | Myriad        | Mainly two |
| Diagnostic complexity                   | Great         | Small      |
| Diagnostic cost                         | High          | Low        |
| Prevention: cost/effectiveness          | Variable      | High       |
| Institutional based treatment           | High          | Low        |
| Nature of disease                       | Acute/chronic | Chronic    |
| Life threatening                        | Not uncommon  | Rare       |
| Good/better/best treatment              | Rare          | Common     |
| Audit trail                             | Varies        | Very Good  |
| How Medical and Dental Insurance Differ | Medical       | Dental     |
| Covers low cost/high frequency          | Not Standard  | Standard   |
| Covers high cost/low frequency          | Yes           | No         |

<sup>i</sup> HEALTH AFFAIRS 35, NO. 12 (2016): 2176–2182

<sup>ii</sup> Nazir, Muhammad Ashraf. Prevalence of periodontal disease, its association with systemic diseases and prevention. *Int J Health Sci (Qassim)* 2017 Apr-Jun; 11(2): 72–80.

<sup>iii</sup> Pew Charitable Trusts, 2015



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