

# How Dental is Different

*Why Stand-Alone Carriers Can Provide Better Value*





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## A Different Focus

*Medical doctors don't often ask if you'd like to schedule another check up in six months.*

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That truth demonstrates one of the biggest differences between medical and dental benefits as it applies to care: while medical care remains focused on treating disease and illness, regular dental care **concentrates on prevention**, usually through low-cost checkups and regular cleanings.

The preventive care, early detection and treatment that dental benefits encourage save the U.S. \$4 billion annually.\*

By typically covering 100 percent of the cost of preventive care without requiring a co-pay, dental plans encourage enrollees to utilize their benefits, proactively promoting behaviors that improve oral health.

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\* Business Courier, "Health insurers open up, say Ah!, to getting in on dental market," November 3, 2003.

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## A Different Level of Risk

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*People rarely call 911 when their teeth hurt.*

Dental disease is rarely catastrophic or life-threatening – unlike medical care where hospitalization and major surgeries can contribute to skyrocketing medical insurance costs for everyone.

While dental premiums have increased 4–8 percent annually over the past decade, double-digit medical premium increases have been common.\* In total, medical premiums have risen more than 114 percent in the past decade.\*\*

Dental benefits work because **most dental disease is preventable** – and benefit plans are prevention-oriented by design. By encouraging regular appointments and early intervention, dental benefits help reduce overall treatment costs, keeping premiums more stable than medical.

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\* Aon Spring Trend Survey, 2009.

\*\* Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2000-2010.



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## A Different Approach to Cost Management

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*Nobody takes an ambulance to the dentist.*

It's much easier for dental carriers to predict, anticipate and manage dental costs because of the low-risk of catastrophic claims, and the availability of lower cost options to treat most dental conditions. Instead of controlling utilization (as in a medical plan), **a dental plan manages costs by covering and encouraging low-cost preventive services.**

**The cost of providing preventive dental treatment is estimated to be 10 times less costly than managing symptoms of dental disease in a hospital emergency room.\***

Furthermore, dental benefit programs are designed to pay for restorative procedures that will do the job properly without incurring unnecessary expenditures – consistent with a policy of encouraging the use of the least expensive professionally accepted treatment, such as fillings, which serve as effective and affordable substitutes for more costly approaches.

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\* Pettinato E, Webb M, Seale NS, A comparison of Medicaid reimbursement for non-definitive pediatric dental treatment in the emergency room versus periodic preventive care, *Pediatric Dentistry*, 2000: 22(6), pp. 463-468.





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## A Different Type of Network

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*Dentists tend to work alone. (Relatively speaking.)*

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Few dentists work in group practices. That means dental care networks are chiefly built and managed one dentist at a time – a labor-intensive activity requiring expertise in how to recruit and maintain dentist participation.

A stand-alone carrier's experience with – and commitment to – this kind of one-to-one engagement **forges strong relationships, fosters loyalty and encourages compliance** among its network providers.

Delta Dental manages the most extensive network of professional dentists in the country – including more than 135,000 individual dentists – resulting in greater access to care, more choice for enrollees and higher in-network utilization rates.\*

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\* 2010 Independent NetMinder Data.



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## A Different Ability to Negotiate

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*When we say our network, we mean it.*

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Here's the bottom line: provider networks are based on contractual relationships stating that dentists have agreed to provide dental services for predetermined fees that fall below the dentist's regular fees.

Last year alone, Delta Dental saved groups more than \$7.6 billion by employing unique cost control measures and aggressively negotiating reduced fees with network dentists.\*

Stand-alone carriers who specialize in dental add value for enrollees by **efficiently managing their networks and aggressively negotiating contracts**. On the other hand, medical carriers that offer a dental plan often rent their networks through a third party – losing negotiating power with dentists, relinquishing oversight, diminishing transparency and inflating administration costs.

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\* 2010 Independent NetMinder Data.

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## A Different Expertise

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*Turns out the best people to review dental claims are dentists.*

Stand-alone dental carriers tend to have a dental director on staff (typically a former practicing dentist) to assist with provider relations, review claims and protect against fraud. While medical carriers would certainly employ medical directors for similar reasons, they may or may not have **specialized expertise** on the dental side.

Beyond having these experienced experts available, stand-alone dental carriers also use sophisticated computer and consultant-assisted auditing and review systems evolved over many years to maximize the effectiveness of group and individual plans.





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## A Different Level of Care

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*Experience sets stand-alone carriers apart.*

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Compared to the medical field, dentistry has less peer review and accountability. To ensure that enrollees receive the highest quality dental care, dental carriers take on the responsibility of providing additional oversight through their claims auditing systems and contractual provisions with dentists.

Because stand-alone dental carriers are more focused and heavily invested in this specialized line of benefits, they are simply **better suited to stay on the forefront of innovative dental care**, provide access to more cost-effective dental services and offer greater protections to your employees.

Additionally, their focus allows them to put more emphasis on helping clients get the most out of their benefits, whereas a medical carrier may not have the tools – or the time – to educate enrollees on how best to utilize their dental benefits for maximum value.



## Care, Coverage and Carriers

<i>Dental</i>	vs.	<i>Medical</i>
Focuses on prevention		Focuses on treatment
Low-risk of catastrophic claims		High-risk of catastrophic claims
Relative rate stability		Frequent and substantial rate increases
Experience building dental network one dentist at a time		Experience building medical network through group practices (i.e., hospitals)
Manage own network of dentists		Often rent network of dentists
On-staff dental experts review claims		Lack of dental specialization
Focused and invested in this specialized line of coverage		Focused on medical with minimal investment in dental coverage

Nearly all dental coverage – 97 percent – is written separately from medical coverage.

Fact is, having one card from one carrier might seem more convenient on the surface, but bundling your dental coverage with your medical carrier might not be to your benefit.

Learn more about how dental plan designs work far differently than medical plan designs by talking to your broker or a Delta Dental representative today.