Rational Health Care Reform: The Role of Dental Benefits

Advancing solutions for great oral health.
Dental benefits improve both oral health and overall health. As such, they should be addressed as a critical part of federal health care reform.

Dental care is inseparable from overall health and wellness.

The correlation between oral health and overall health and welfare is the fundamental message of the Surgeon General’s Report *Oral Health in America* (2000).

The mouth is part of the body, and dental benefits promote not just dental health but systemic health as well.

Oral health is linked to overall health conditions. More than 90 percent of all systemic disease, including diabetes, leukemia, cancer, heart disease, kidney disease and stroke, has oral manifestations that can be detected during an oral exam.

A majority of consumers (68 percent) recognize the connection between oral health and overall health status. However, far fewer at-risk consumers – who are without dental insurance and do not receive dental care – make the same connection.¹

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A growing body of evidence suggests control of caries (cavities) and periodontitis can improve health outcomes.

Dental coverage creates affordable access for 170 million Americans. Improved access to affordable, preventive dental care has been made possible by the growth of employer- and government-sponsored group dental programs.

A critical incentive for encouraging dental coverage over the past 50 years has been the tax deductibility of dental benefits for employers, and the federal tax exemption for employees so that such benefits are not counted as taxable income.

### Policy Implications

Dental coverage should not be neglected in the debate over how to fix health care.

The current tax treatment of health benefits has contributed immeasurably to the oral health of the nation. Under no circumstances should that tax incentive be undermined or weakened.

Any legislative or regulatory approach that adds to the cost of administering or obtaining dental benefits will have the unintended effect of reducing the number of Americans with access to affordable dental coverage, and thus diminishing the public’s oral health.

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**Percentage of Adults (18+ Years) Visiting Dentist in the Past Year**

- **Individuals with Private Dental Insurance:** 70.0%
- **Individuals without Dental Benefits:** 50.8%

People who have dental benefits (70 percent) are much more likely to see a dentist each year than those without benefits (50.8 percent).

Private dental benefits work far differently than medical coverage.

The preventive care, early detection and treatment that dental benefits encourage save the U.S. $4 billion annually.²

Every $1 spent on prevention saves $4 in treatment.
Stand-alone dental carriers add value for patients.

- While medical care focuses on treating disease and illness, regular dental care concentrates on prevention, usually through low-cost checkups and cleanings.
- Dental benefits work because most dental disease is preventable. Benefit plans are prevention-oriented by design and only provide restorative services when disease symptoms are detected.
- Dental benefits are cost-effective because early intervention reduces treatment costs. Dental premiums are less than a tenth of the cost of medical, on average.
- The preventive care, early detection and treatment that dental benefits encourage save the U.S. $4 billion annually.\(^2\) Every $1 spent on prevention saves $4 in treatment.
- Third-party dental carriers, particularly stand-alone carriers who specialize in dental, add value for patients. They manage efficient networks of dentists who agree to provide care below the retail cost of services. Because fraud drives up the cost of dental care for everyone, stand-alone dental carriers work aggressively to prevent this behavior.
- Stand-alone dental carriers use sophisticated computer and consultant-assisted auditing and review systems, evolved over many years to maximize the effectiveness of group and individual plan sponsorships.
- Stand-alone dental plans can be more focused and heavily invested in this specialized, single line of coverage.

Policy Implications

Dental carriers should be encouraged in their efforts to develop and enforce competitive fee arrangements, equitable reimbursement and dental policies, and innovative plan design to ensure necessary and appropriate care in accordance with group contracts and high professional standards.

Any health care reform should allow for vigorous competition among different types of carriers, including stand-alone dental carriers.

Everyone deserves dental coverage.
Not everyone has it.

Despite the success of dental benefits in promoting oral health and overall health, more than 40 percent of all Americans still lack dental coverage.

Today, more than 130 million Americans do not have dental coverage – because their employers choose not to provide it, self-employed individuals choose not to purchase it, or public programs are inadequate.

• While the nation’s oral health is the best it has ever been, the Surgeon General’s report notes that “profound and consequential” disparities still exist for poor children, the elderly and minorities.
• Uninsured children are three times more likely to have untreated dental disease than those with private or public coverage.
• One fourth of poor children have not seen a dentist before entering kindergarten.
• Children whose parents lack dental benefits are 13 times less likely to visit a dentist at least once annually.
• More than a fourth of the elderly, many of whom lose dental coverage when they retire, experience periodontal disease, manifested by the loss of connective tissue and bone that supports teeth.
• Dental disease rates nearly double by age 65.

• One in nine consumers – those without dental benefits or dental care – is considered at risk. In all, more than 6 million people required but deferred care in the prior year.¹

¹ The Long Group, April 2008.
Policy Implications

Dental coverage creates affordable access for millions of Americans.

An expansion of private dental benefits should be included in any proposal to reform America’s health care system.

Delta Dental has long supported dental benefits for children, who are at an age when it is most critical to receive dental care. We support the inclusion of children’s dental benefits in the Children’s Health Insurance Program (CHIP). Our member companies administer CHIP in many states and stand ready to foster further public-private relationships to ensure more coverage for more children.

Tragic Example

A quality dental carrier can deliver more appropriate dental services, more cost effective dental services, and greater protections for the consumer than are generally available to those who finance their own care or who take a one-size-fits all approach to insurance coverage.

A tragic example of the system’s one-size-fits all approach is Deamonte Driver, a 12-year-old Maryland resident, who died in 2007 when bacteria from an abscessed tooth spread to his brain.

An investigation by the Maryland Department of Health and Mental Hygiene concluded that by including dental with medical benefits under a single Medicaid contract, the state was neither overseeing nor effectively monitoring its Medicaid dental program.

The state legislature subsequently agreed to adopt a requirement that the dental portion of the state’s Medicaid program come under the management of a single, dedicated dental benefits carrier.
Active in the Health Care Reform Debate

While dental health is integral to overall health, the dental delivery system itself remains vastly different from medical in many key respects.

For this reason, we urge regulators, lawmakers and policy makers to turn to a dental specialist for information, insight and detailed input regarding how any health care reform might affect affordable access to dental care.

Delta Dental stands ready to be part of the solution.

Delta Dental: Who We Are

Delta Dental is America’s largest, most experienced dental benefits carrier. We serve nearly a third of the estimated 170 million Americans with dental insurance, providing dental coverage to more than 51 million people in more than 93,000 groups across the nation.

Delta Dental is made up of independent, affiliated companies that provide employers and individuals with quality, cost-effective dental benefit programs and services. Our 39 member companies operate in all 50 states, the District of Columbia and Puerto Rico.

Delta Dental member companies specialize in dental: we focus on what we know best. Our core purpose is to advance, improve and promote oral health through the dental benefits programs and philanthropic efforts of our member companies. We employ some of the country’s leading oral health and dental benefits experts, and provide local, flexible service designed to meet patient needs.

For more information on the importance of dental benefits in health care reform, please visit www.advanceoralhealth.com.