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## Pulling the teeth out of dental plans

**Health care reform could put existing structure of dental benefits at risk, two top experts warn**

By Kelley M. Butler

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For all the discordant debates, sometimes violent town hall meetings and shouts of "You lie!" from lawmakers that have fraught the discussion of health care reform this year, it's more than likely that employers didn't hear the voice of a more civil participant in the proceedings - the dental industry.

However, the dental benefits that employers offer may be vulnerable under a reformed health care system, and leaders within the dental benefits industry are taking their case to Congress. Among them are Evelyn Ireland, executive director of the National Association of Dental Plans and Jeff Album, vice president of public and government affairs for Delta Dental of Calif., N.Y., Pa., and affiliates.

Together, the two have worn a path through the Capitol, meeting with lawmakers on both sides of the aisle in an effort to amend H.R. 3200 (the working health care reform bill in the House) and other reform proposals to better protect dental benefits.

### Stand-alone struggle

The largest problem with the bill, they say, is that it would require that essential benefits (including dental coverage for children) offered through the proposed health insurance exchange must be bundled - grouping medical and children's dental health together - and only be sold through a medical insurer. After five years, the same requirements would be set for essential benefits sold outside the exchange. Stand-alone dental insurers - which, according to NADP, serve 97% of the estimated 174 million Americans with dental health coverage - would not be permitted to offer their plans through the exchange.

"Health care reform is not directed at dental, but by trying to do a good thing - covering children's dental and vision care - Congress is unraveling the dental benefits market for family coverage," Ireland asserts. This is because the bundling requirement applies only to children's dental coverage. Under H.R. 3200, coverage for their parents is another matter entirely. Yet, most dental policies are for family coverage.

While Ireland doesn't disparage medical carriers, she adds that "medical carriers are not prepared to offer dental. So, they will subcontract it to dental carriers, which adds to administrative costs for both."

In addition, Album says, the proposal "takes away [employers'] ability to shop, disrupts providers' relationships with patients, and disrupts the industry and the way it's been designed to compete."

But what's the big problem, truly? Most major medical insurers - the Aetnas and Cignas of the world - have a dental business as well. It's not that simple, Ireland says.

"It's not Aetna medical that's operating your Aetna dental coverage. They are separate systems, separate cards, separate policies with separate operations. Only a handful of carriers are affiliated with a dental carrier. Most are not - about three out of four."

Thus, she argues, if H.R. 3200 or a similar bill passes, "it ends up being more complicated and costly for consumers."

In addition to the increased costs, approving such a measure would raise a major PR problem for the president, Album says. "President Obama has said previously and continues to say, 'If you like your plan and like your doctor, you can keep them.' But that's not even close to being true on the dental side under this model."

However, a key congressional aide says the bill's intent is to ensure that all children have quality and affordable dental coverage, and dismisses these claims as hyperbole. The source, agreeing to address the issue for background purposes only, also notes that an amendment accepted during the legislative markup period noted that nothing would prohibit the offering of stand-alone dental plans.

The bundled approach is best because it provides "a vital benefit" for scores of children who remain uncovered because their parents cannot afford stand-alone policies, says House Committee on Education and Labor Press Secretary Aaron Albright. He says insurers "might need to change the way they do business, but they can still flourish," noting that nothing in the bill would prohibit them from managing dental and or vision benefits for other insurers.

### **Letting their reputation precede them**

So, why haven't employers and consumers heard more about this issue? Perhaps because dental benefits are so steadily cost-effective that they don't garner the attention of health benefits, with costs spiraling upward for more than a decade.

However, it's specifically that reputation that Album says the dental industry can use to its advantage to get lawmakers to listen.

"If we hadn't been so cost-effective, we wouldn't have so much standing on how to work with Congress on this issue," he says. "That we've had the opportunity to get into meetings [with House members], let alone shape policy, is because we have such a good story to tell."

Hoping to strike while the iron is hot on reform, Album says he, Ireland and other dental leaders plan to meet with key senators "on some stand-alone proposals for dental and see how receptive they are to it," as they craft the Senate version of reform legislation. He adds: "We'll also continue advising members of the House and Senate, so that when the time comes to reconcile bills, it won't be the first they've heard of the issue."

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### **Is separate equal? The advantages of stand-alone dental plans**

>> Stand-alone dental companies have experience designing and administering cost-efficient dental and vision plans, where medical carriers specialize in adjudicating and paying medical claims based on policies, systems and processes unique to the practice of medicine. Many of these insurers lack the experience and infrastructure to do the same for dental benefits.

>> Subcontracting dilutes accountability. Dedicated dental and vision plans are directly accountable to subscribers for the quality and cost of this specialty care, and are experts on the capture and use of outcomes data to monitor and report on the metrics used to improve health and the service experience of dental and vision subscribers.

>> Excluding stand-alone dental plans from participating in the exchange is inconsistent with the current dental coverage market and President Obama's pledge to not make people who like their current plans and providers switch. Ninety-seven percent of all dental and vision coverage is purchased and priced separately from major medical, not bundled.

>> Disallowing stand-alone dental plans to provide the mandated benefits for children will force a separation between child and adult dental and vision coverage that does not currently exist. Families would have to contend with one policy for children's dental benefits and another for the rest of their family.

>> Under bundled medical and dental programs, how and where premiums are spent can be difficult to track; the true cost of dental and vision could be easily lost within the much larger medical portion of a bundled benefits program.

*Source: National Association of Dental Plans and Delta Dental*

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