

Adapted from:

Dental Insurance: The Facts *A Guide To Help You Understand Your Dental Insurance Options*

In the past, dental insurance has benefited many patients and dental offices over the past 40 years. It has allowed thousands of people to take better care of their teeth and has brought many new patients into dental offices.

Now, however, we are seeing a significant increase in ‘managed health care’ companies that decrease the patient’s freedom of choice. Many people believe ‘managed care’ may also decrease the quality of care.

Your employer may present you with a “managed care” option in order to reduce the benefit costs to the employer. You can use this information as a guide to help you understand and compare the various benefit plans.

Facts

#1 Your insurance plan is a contract between your employer and the insurance company. All patients are financially responsible for their accounts. The insurance company is responsible to the patient. Specific questions regarding coverage need to be directed to your insurance carrier or your employer, rather than our dental office.

#2 No insurance plan covers all dental expenses. Some companies pay fixed allowances for certain procedures and others pay a percentage of the charge. It is the patient’s responsibility to pay the agreed upon fees for treatment at our office, regardless of insurance coverage.

#3 Many routine dental services are not covered by insurance companies. This practice can create an impression that “not covered” means it is “not necessary,” which is not at all the case.

#4 The benefits patients receive are simply determined by how much the employer pays for the plan. The less expensive the plan, the fewer the benefits. Each insurance company has many different types and levels of plan. To say that you have “Blue Cross” or “Delta” or “Metlife” doesn’t have any specific meaning, without knowing which employer and which specific plan you have.

#5 Insurance companies are in business to make money. They make more by paying fewer benefits. They also profit more by delaying payment on claims and by requiring dentists to send in pre-estimates on the more expensive procedures. Delays in treatment results in less treatment, particularly at the end of the benefit year. You may be waiting to hear back from the insurance company to find out if they are willing to cover a given treatment. If while you are waiting your benefit year ends, you will lose the benefit entirely. If your dental condition changes while you are waiting (e.g. the tooth breaks before you are able to get approval for a crown), you may require additional dental treatment, at additional time, expense, and possibly discomfort.

#6 It has been the experience of many dentists that sometimes insurance companies tell their clients that certain dental fees are “above the usual and customary” or UCR, rather than tell them that the insurance benefits are too low. We know that some insurance companies do not upgrade fee schedules regularly, even with the cost of living index.

#7 In 1971, typical dental insurance benefits for a year were approximately \$1000. Although plan premiums have greatly increased over the years, many plans still have the same maximum annual benefit. Adjusting for inflation, yearly benefits would be at least \$4,500 in 2005. That amount of benefit would allow patients to make significant improvements in their dental health, rather than the more typical \$1000 benefit which really only covers some preventive care and minor treatment. Many patients put off preventive care (relatively inexpensive) for years, waiting to “get” dental insurance. Sadly, when they finally “get” dental treatment, their dental needs are much more extensive and well beyond the modest limits of their insurance benefits.

#8 Dentists who sign up to participate in ‘managed health care’ plans agree to accept a significant decrease in their fees for the services they provide.

#9 With the increase of ‘managed health care’, the patients are losing their right to choose their own dentist. They are restricted to a list of dentists who agree to accept a lower fee by signing a contract with the insurance company.

#10 With the increase of ‘managed health care’, patients are losing their freedom to receive the dentistry of their choice based on the recommendations of their dentist. Plans will often pay for only the lowest-cost alternative, not the longest-lasting, most predictable treatment.

#11 The trend with ‘managed health care’ is that patients are losing their freedom to choose the best quality treatment with the dentist they prefer. The dentists receive less compensation for their services, at a time when advances in technology require increased cost in equipment and training. Advanced technology and education allow dentists to provide patients with advanced aesthetic treatment options that can more predictably improve their smiles and their health for a lifetime.

#12 Many insurance companies accuse the dental profession of not controlling costs. Look at the facts:

- In efforts to keep dental health care cost down, dentists’ incomes have not kept up with the cost of living in 22 out of the last 23 years.
- Insurance companies are constantly decreasing the availability of quality services to the patient.
- Insurance companies are recording record profits with bonuses to their individual CEO’s ranging from \$2.8-\$15.5 million.

Opinions

The following are NOT FACTS based on any documented study. Although, they are the general opinions of most health care providers and many patients concerning Managed Health Care plans that are replacing many traditional plans.

- Dental office are encouraged to do the least amount of dentistry as possible without concern for the patient’s well being.
- Dental offices will be tempted to use inferior supplies and laboratories when treating discounted managed care patients.

- Many 'managed care patients' may not receive the same quality treatment as traditional full fee-for-service patients.
- Many offices give preferential appointment times and courtesies to traditional full fee-for-service patients compared to their 'managed care patients'.
- Many dentists prefer not to compromise their services, and therefore choose not to participate in these plans.

<p>This table will help you understand the major differences between the 3 most popular plans of dental benefits- with Indemnity Insurance being the best and HMOs being the worst.</p>	<p>Traditional Indemnity Dental Insurance</p> <p>These plans were the original dental benefit plans that have provided good dental coverage for decades. This is the best of all 3 plans.</p>	<p>Professional Provider Organization (PPO)</p> <p>These organizations provide dentistry who agree to accept lower fees.</p>	<p>Health Maintenance Organization (HMO)</p> <p>Minimum dentistry is provided through contacted dentists who agree to small monthly capitation payment for each employee/patient regardless if services are performed or not.</p>
<p>Patient's Freedom of Choice</p>	<p>Patients choose their own dentist (most freedom of choice).</p>	<p>Patients have more freedom of choice than with an HMO, but pay more for care from a "non-preferred" provider.</p>	<p>Patients are restricted to a list of designated provider (least freedom of choice).</p>
<p>Benefits</p>	<p>The levels and coverage are defined by a contract, and generally provide more comprehensive services than PPO's & HMO's.</p>	<p>Enrolled members receive services at a reduced cost when the services are delivered by a "preferred" provider.</p>	<p>Enrolled members receive minimum comprehensive services when care is provided by a plan provider.</p>
<p>Utilization</p>	<p>May or may not be controlled by the carrier.</p>	<p>Less controlled than an HMO.</p>	<p>Providers receive a financial incentive to control utilization (the less treatment performed, the more money is left for the dentist).</p>
<p>Payment to the Providing Dentist</p>	<p>Dentists are paid (indemnified) for services by the insurance company and the patients.</p>	<p>Dentists are paid on the basis of a discounted fee schedule.</p>	<p>Dentists are paid a small dollar amount per member per month regardless of services rendered.</p>
<p>Cost to patient</p>	<p>Usually the most expensive.</p>	<p>Less expensive than an indemnity plan.</p>	<p>Least expensive.</p>

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