

Choosing a Dental Benefits Administrator

Why purchase dental insurance?

The Office of the U.S. Surgeon General brought national attention to the synergy between oral health and overall health in 2000, in 2003 issuing a national call to action to address its findings. Locally, during the same year the second report was published, The Coalition for New Hampshire Oral Health Action published a call to action for our state to address treatment access issues. Many inequities can be remedied, usually through some form of public/private partnership.

Oral health is increasingly a public policy issue because of compelling data. One study by Public Health Reports reveals that preventive dental care, early detection, and proper treatment save the U.S. \$4 billion annually.

From the standpoint of employee relations, adding dental insurance benefits brings a double benefit to the employer. First, studies show that next only to medical insurance in popularity, dental insurance is a favored benefit in compensation packages. Increasingly, employees want dental insurance and look for it among their benefits.

Second, working Americans lose about 164 million hours annually to dental disease or dental visits, the Surgeon General reports. Children lose 51 million hours more, often impacting their parent's availability at work. The most cost-effective way of encouraging the use of preventive procedures that help reduce lost productivity is through dental insurance. People with dental insurance visit the dentist nearly twice as often as those without, according to the National Center for Health Statistics.

For employers concerned about the cost of expanding their benefits package, one way to begin providing dental insurance coverage is with a voluntary program. The employer agrees to sponsor the program, offers it to all eligible employees, and collects employee contributions by payroll deductions. Employees pay a group rate for their coverage.

What should be considered?

Whether you are thinking of adding full or partially employer paid dental insurance benefits for your employees, the following are some of the questions you need satisfactory answers to before you sign on the dotted line.

- **What does a standard plan look like, and how much customization is possible?** Plans should be structured to maximize coverage of regularly scheduled preventive and diagnostic procedures and require more employee cost sharing for more extensive treatment. This encourages employees to seek preventive care before oral health is compromised, when it is most beneficial. Evaluate what procedures are covered and what will be covered if treatment is in process during a transition from one carrier to another.

- **What safeguards does the dental benefits administrator employ for holding down its costs?** Methods vary. For example, costs can be held down by passing more premium costs to employees and reducing benefits or by the carrier negotiating fees with participating dentists.
- **Will employees have broad access to network dentists?** This is a prime consideration for employees. Some dental benefits administrators have only small provider networks, resulting in higher treatment costs borne by patients for services received outside of the network. Others may forego network cost-management safeguards by allowing subscribers to be treated by any dentist, but subscribers may have to pay for services up front and pay the difference between the dentist's fees and the carrier's maximum fee allowance. It's important to know how fast claims are paid, particularly if your employees will pay first and then be reimbursed.
- **What reputation does the dental benefits administrator have for providing its customers with outstanding service?** The ability to reach customer service representatives easily and the provision of Web-based capabilities for benefits administrators and employees are just two of the indicators that a dental insurance administrator is tuned in to the needs of both its subscribers and group customers.
- **How strongly does the dental insurance company stand behind its product line?** Do they periodically monitor your satisfaction (phone and mail surveys are a common way to do that), and do they actively address any issues that are raised? Do they guarantee your satisfaction with financial rewards if they fail to meet a guarantee?

Some questions to which you need answers as you choose a dental benefits administrator are universal concerns, but some facets of the selection process are specialized. If you are a socially responsible organization, it may be important to you that each of your vendors be like-minded. Add this to your list of questions to ask a potential dental benefits administrator if it is important to you, but also read its annual report, visit its Web site, and listen to what people are saying about it. The best match in a dental insurance administrator is one that helps you shoulder the responsibility of administering this facet of your employees' health benefits and also shares your organization's values.

*Elizabeth Andrews, Communications & Community Relations Specialist at Northeast Delta Dental, contributed this article to the September, 2004, issue of **Business NH Magazine** at its request. Northeast Delta Dental is the largest dental benefits administrator in Maine, New Hampshire, and Vermont*