



Dental: The New “It” Benefit

The health care industry continues to see an ever-changing landscape, and the group and voluntary dental arena is no exception. In fact, now more than ever, demand for dental coverage is reaching new heights. “Dental insurance is the No. 1 benefit sought out by employees,” said Jim Fuhrman, executive vice president for UnitedHealthcare Dental. As such, the group and voluntary dental industry is undergoing a number of changes, and only by adapting and embracing these changes can group and voluntary dental providers meet the needs of their clients.

BY KARON WARREN

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THE CURRENT LANDSCAPE

Several factors play a role in today's landscape for group and voluntary dental benefits. First and foremost is the aforementioned demand for dental benefits. "Dental benefits have become a necessary part of employee compensation packages and continue to grow at the same pace as the population," said Alan Stankaitis, manager of competitive analysis for Delta Dental. "Approximately 55 percent of the population has dental insurance, and two recent studies revealed that dental insurance, health insurance and retirement plans are the top three benefits offered by employers."

Employees also are taking a different view on dental benefits. "It's not just insurance anymore," Fuhrman says. "They're expecting a total body approach." This "total body" approach refers to the link between oral health and overall health. "Research continues to support the links between dental health and serious health conditions, including heart disease, diabetes, stroke and premature birth," said Rebekah Whitehouse, chief marketing officer for CIGNA Dental.

Although dental benefits generally cost employers less than more traditional health care benefits, employers still are searching for ways to reduce costs. One way is to move away from 100-percent employer-paid plans to voluntary plans. In fact, according to the 2005 Purchaser Behavior Study, one-third of employers are likely to shift more cost to the employee while one in five employers favor switching to a voluntary benefit.

And why not? Employees are responding to voluntary plans. "Of all voluntary employee benefits products, dental voluntary coverage has the highest participation rates," Stankaitis said. "At least 70 percent of enrollees are paying at least a portion on their dental premiums, and there will continue to be a place in the market for voluntary insurance plans."

EMERGING SOLUTIONS

In order to adapt to dental's evolving landscape, employers need to select the right insurance product for their employees. There are several considerations employers should

SELECTING A DENTAL PLAN THAT SUITS YOUR NEEDS

BY GARY WHITE, CHIEF SALES OFFICER FOR SECURIAN DENTAL

On average, Americans spend about \$75 billion on dental care. Shopping for group dental plans, however, can be intimidating. The choices seem endless, and it can be difficult at times to differentiate among the numerous carriers and dental plan options.

When evaluating a dental plan, employers should look not only at the plan cost, but also should seek out a dental plan that best fits employees' needs. The level of coverage, ease of administration, participation and contribution requirements, and provider access are all key factors.

Dental preferred provider organization plans continue to be the most popular group dental product, according to the recent National Association of Dental Plans enrollment report.

However, given rising health care costs, businesses are very interested in cost-sharing programs, which has led to the increased popularity of voluntary dental plans. In a recent LIMRA International study, employee focus group participants said they would support an employer's decision to make benefits, such as dental, voluntary if it were necessary to control costs.

Besides quality service and competitively priced products, groups also should consider the following when selecting a dental carrier for their employees:

- **Quality, prompt service**—Ensure you select a carrier that has low on-hold times for its customer service phone line. In addition, check how long the carrier takes to turn around claims and research its payment accuracy rates. This provides excellent value to your employees and added credibility to you, the benefits sponsor.
- **Web-based services**—Look for dental benefit carriers that leverage Web-based technology to create user-friendly systems that help you and your employees better manage your dental plan. Services should include dentist search, claims lookup, benefit eligibility online for employees, and online enrollment and billing reports for employers. Some carriers also offer Web-based oral health wellness and education materials, which can be accessed by employees at no extra cost.
- **Full service, guaranteed fees, no hidden costs**—No matter what type of dental plan you offer your employees, ensure there are no hidden costs. You also may be able to find carriers that guarantee fees for two years. In addition, check to ensure that additional support, such as enrollment materials, on-site support, and printing and mailing ID cards, are included in the rates.

For information on Securian Dental plans, visit www.securiandental.com or call 866-222-6507.

address before making a final decision.

First, know your audience. "What's going on within your own organization?" said Karen Weinseiss, head of strategic marketing and voluntary products and services for Aetna. "What are your employees' needs and preferences? You need to have two plans in place to meet the needs of a greater percentage of employees."


This is especially important for voluntary plans. "Employees need to have more choice and flexibility, especially when they are in charge of how those dollars are spent," Weinseiss said.

Second, whether for group or voluntary, keep your focus on the usability of the dental

plan, Fuhrman said. "If there's a high deductible, then it doesn't have the right value to employees," he said. "On the other hand, no deductible may bar preventive care, and preventive care is the key."

Whitehouse agrees. "It is crucial that consumers understand the importance of early intervention and preventive dental care," she said. "Catching an oral health issue early on can mean lower costs for treatment and less-invasive procedures."

Third, make sure your employees know what the products are and how they work. "You have to develop a strong communication strategy," Weinseiss said. "There needs to be a fair amount of education going on before the buying decision."

Like traditional health, the group and voluntary dental industry is facing new changes and challenges that employers must stay on top of if they are to adequately meet their employees' needs. However, by doing research and seeking out cost-effective solutions, employers are rising to the occasion. 

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