

## DENTAL BENEFITS:

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# the link between health&oral disease

By Mark Moksnes, DeCare Dental and Securian Dental Plans

Health-care costs and their dramatic effect on overall benefits expenses and the bottom line have become the topic du jour and are now the focus of many strategy sessions in executive offices and boardrooms around the country. In an environment where Wall Street demands profits (and often times wants better than anticipated profits), most companies have been compelled to look for new, innovative solutions that help drive down health-care costs, maintain sustainable benefits programs, make employees more accountable for their

purchasing decisions, and/or predict/prevent major systemic disease.

Dental benefits, offered by most employers, have for the most part remained in the background of this debate. Viewed as a “nice to have,” uncomplicated ancillary benefit, dental benefits models have remained unchanged for decades, while their medical-benefits counterparts have developed a number of cost-management tools to make employees more accountable and reduce benefits costs’ impact on the company’s bottom line.

## QUICK LOOK

- ➔ Sophisticated analytic models can identify dentists who have demonstrated a history of having a patient-centered approach, and make quality treatment decisions that generate significant long-term cost savings.
- ➔ Tiered dental-benefits programs are breaking new ground, and setting the stage for an entirely new type of dental benefits platform that isn't entirely hinged on negotiating provider discounts.
- ➔ A number of research studies are under way to determine if there is a causal relationship between periodontal disease and major medical conditions.

But dental's sedentary position is about to change. An entirely new thought process is weaving its way into the dental benefits marketplace, led by an exciting and innovative application of analytics. In addition, researchers are taking a close look at how an individual's dental health may be connected to major systemic diseases — a key issue closely tied to increases in medical premiums.

### Using Analytics to Deliver Savings

The application of analytics in the dental-benefits arena promises to deliver significant cost savings for both groups and members. Sophisticated analytic models can identify dentists who have demonstrated a history of having a patient-centered approach. They are known to make quality treatment decisions that generate significant long-term cost savings. Research shows that a dentist's approach to care, rather than his or her fees, is by far the largest factor in dental costs. Using a tier-based system, employees are rewarded through the long-term cost savings they personally derive from visiting higher-tiered dentists who offer a patient-centered approach to care. These employees also are rewarded through stronger coverage in their dental-benefits plan design.

Tiered dental-benefit programs such as this are breaking new ground and setting the stage for an entirely new type of dental-benefits platform that

isn't entirely hinged on negotiating provider discounts. The program reduces claims costs by addressing the true driver of dental costs — dentists' individual utilization patterns. In addition, the model shares this information in an easy-to-understand format that helps consumers make informed decisions about where they choose to receive their care.

This is different from the traditional role of data analysis in the dental benefits arena, which is commonly used in fraud and abuse cases or for utilization review programs.


According to the January 2006 *Harvard Business Review* article, "Competing on Analytics," the application of analytics is playing a more centralized role in businesses, because it not only optimizes business processes and creates efficiencies, but also can be distilled to create a more educated consumer base.

### The Relationship Between Oral Health Care and Systemic Disease

On a parallel track, new research is showing a growing association between oral-health and major systemic disease, such as heart disease, diabetes, stroke and preterm births. Led by the National Institute of Dental and Craniofacial Research (NIDCR), there are a number of ongoing studies to determine if there is a causal relationship. For example, one of the studies is trying to determine if periodontal disease may play a role in expectant mothers who experience preterm birth or low birth-weight babies. According to the March of Dimes, it is estimated that approximately 12 percent of all babies born in the United States are born preterm. The cost of care for preterm babies to U.S. businesses averages \$41,610 (USD) versus \$2,830 for a healthy, full-term baby, amounting to several billion dollars a year, according to the March of Dimes.

The outcome of this research could potentially forever change how employees and employers view the "routine dental check up." If strong causal relationships are determined, an individual's oral health could be seen as a precursor or indicator of serious medical issues. Dental carriers who can apply this research into a benefits structure will have an edge, as they will be able to more effectively help prevent or identify major systemic diseases and medical conditions, which are major contributors to the rise in health-care costs.

### On the Cusp of Change

In conclusion, dental benefits are at an interesting and exciting crossroad. The industry is on the verge of a major change in how dental benefits will be modeled. More importantly, employers are beginning to see some major changes that alter the perception and relevance of dental care in relationship to other benefits, especially medical. Carriers that adapt to these new innovations will no doubt have a marketplace edge, especially as they strive to help groups and employees develop more sustainable, intelligent benefits platforms. 

**Editor's Note:** The author plans to follow up in a future issue of *workspan*, with a case study on a company that has made these changes to its dental benefits program and has seen positive results.

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