Dental Insurance

Standalone Vs. Embedded-in-Medical Dental Benefits: A Producer’s Guide

In 2014, pediatric dental benefits will be available with many medical plans. Although this may seem like a convenient option for your customers, it’s important to take a closer look.

Dental carriers such as The Standard‡ offer standalone dental plans with pediatric benefits that match the benchmarks for small-employer Essential Health Benefit (EHB) plans (also known as pediatric dental plans). These types of plans can be used with separate medical coverage to meet the requirements of healthcare reform laws.

There can be good reason to keep the plans separate. For instance, when dental benefits are combined with medical, employees may have to meet higher deductibles or out-of-pocket maximums before any dental benefits are paid. The chart below highlights this and other reasons why we think standalone dental benefits are still a better choice.

<table>
<thead>
<tr>
<th>Medical Plans With Embedded EHB Dental Benefits</th>
<th>Typical Standalone Dental Plans</th>
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<tbody>
<tr>
<td>Medical Loss Ratio (MLR)</td>
<td>Dental commissions become subject to the limitations of the MLR requirement and may be reduced</td>
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<td>Benefit Levels</td>
<td>Pediatric dental benefits could be lower because they are not part of the overall medical actuarial value calculation</td>
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<td>Preventive Deductible</td>
<td>Preventive dental may count toward medical deductible</td>
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<tr>
<td>Overall Deductible</td>
<td>Medical deductible may have to be satisfied before any benefits are paid for dental procedures</td>
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<tr>
<td>Out-of-Pocket Maximum</td>
<td>The dental out-of-pocket max may be part of the medical out-of-pocket max, meaning the employee may have to spend more to reach it</td>
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<tr>
<td>Orthodontia</td>
<td>Only required to cover medically necessary procedures, such as surgeries for cleft palate</td>
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</table>

For groups that previously had a standalone dental plan, moving to embedded-in-medical pediatric dental benefits could mean a switch in dental carrier. Employees may also have to switch dental providers for their children in order to receive in-network coverage if their provider is not on the medical PPO network. Keeping the existing standalone dental provider would avoid disruptive changes like these.

This policy provides DENTAL insurance only.
This policy has exclusions, limitations, reductions of benefits and terms under which the policy may be continued in force or discontinued.

‡ The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of 1100 SW Sixth Avenue of Portland, Oregon, in all states except New York, where insurance products are offered by The Standard Life Insurance Company of New York of 333 Westchester Avenue, West Building, Suite 300, White Plains, New York. Product features and availability vary by state and company, and are solely the responsibility of each subsidiary. Each company is solely responsible for its own financial condition. Standard Insurance Company is licensed to solicit insurance business in all states except New York. The Standard Life Insurance Company of New York is licensed to solicit insurance business in only the state of New York.

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Whether your customers choose an embedded or standalone dental plan, bear in mind that both types will have:

- No annual or lifetime limits on essential pediatric dental
- The Health Insurer Assessment Fee (HIAF) requirement
- State-prescribed procedures for small-employer EHB plans

Other Advantages Of Standalone Dental Benefits

Insurers like The Standard that offer standalone dental plans specialize in dental benefits. That means you and your customers can rely on their carrier to take care of the details. Standalone plans offer:

- Dental expertise and dental-focused customer service
- Flexible and customizable benefits
- Claims-paying systems designed specifically for dental
- Nationwide, credentialed provider networks
- Dental wellness knowledge