

## A MODEL DENTAL PLAN

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*Our office spends a considerable amount of time researching* the dental plans of our patients. After more than twenty years of doing this one gains tremendous insight into the way most mainstream dental plans are developed and the motivations of the insurance underwriters who promote these plans to their clients. If you have read my viewpoint concerning these insurers and how they operate, you should have a good feel for how the “game” is played.

*Above all do not make the mistake* of thinking that insurance underwriters care about your health. They don't! You are a number on a page, a statistic, and seldom will you find a company representative who regards you as a living, breathing human being, deserving of proper respect and attention. Never forget that to the underwriter the true client is the employer that purchased the policy for its employees (I cannot recall ever seeing a policy purchased by an individual) and not you, the recipient of the policy. While you are in a contractual relationship with the insurance company, it is your employer who determines the parameters of your plan and how it is to be administered.

*Insurance companies are bottom-line businesses* that exist to make a profit (many are publicly-held multinational businesses), and they intend to deny you as much dentally-legitimate coverage as possible as well as delay as long as they can any payment to you or your dentist for treatment received. Insurance companies make money on your premium dollar by re-investment, so the longer this money is held onto the more income they make.

Insurance companies make money on your premium dollar by reinvestment. So, the longer this money is held onto, the more income they make.

So, you may ask, *is there any such thing as the ideal dental plan?* One that serves my needs at a reasonable cost, lets my dentist do what he does best, which is practice dentistry, and fulfills its responsibility to pay according to the terms of my policy without a lot of hassles? What if I told you there is a way to have good coverage that is a win-win-win for you, your employer, and your dentist? Hard to believe, but true. And that plan is available today.

In fact, there are two model plans that one can choose from depending on what your employer prefers. They are called *“Freedom-of-Choice”* plans because they preserve your right to go to the dentist of your choice. These plans are called “Direct

Reimbursement” and “Paid Dental”, and both have been recommended by the American Dental Association and Texas Dental Association for several years.

*“Direct Reimbursement”* is self-funded by your employer and requires no insurance company involvement at all. It is custom designed to match the specifications of your employer. All “Direct Reimbursement” plans have three things in common: they are self-funded by the employer; they allow you the freedom to choose any dentist; and they reimburse patients based on dollars spent on dental care, not based on the type of treatment received. This plan is the essence of simplicity and, because it eliminates a third party insurance administrator, more of the premium dollar goes directly to dental care and not administrative costs (typical administrative costs can be 25% or more of the premium dollar under traditional dental policies).

*“Paid Dental”* is a variation of the direct reimbursement model. While simple to do, some employers prefer not to administer their dental plans in-house, opting instead for a more traditional approach. “Paid Dental” has enlisted Kansas City Life Insurance Company, an “A” rated company, as an underwriter to work with “Paid Dental” clients. It offers highly competitive dental benefit options that can provide a high quality employee benefit. “Paid Dental” has a reputation for speedy claims payment and does not require pre-authorizations for treatment.

*Many companies have switched* to these “Freedom-of-Choice” plans successfully, including: *Melissa ISD; Baylor University* in Waco, Texas; and, First Security Corporation of Salt Lake City, Utah. You too can enjoy the benefits that these plans offer today. The Texas Dental Association can provide the necessary means for an employer to develop the plan that meets its specifications. Visit the website at [www.freedom-of-choicedental.com](http://www.freedom-of-choicedental.com) or contact Mr. David Baker at 1-800-980-2230 (e-mail: [david@tda.org](mailto:david@tda.org)) to learn more. Also, our office is available to help you as well.

In conclusion, the trend in more traditional dental plans is one of less coverage for higher premium dollars. In my own experience it has become increasingly difficult to work with these plans to obtain the benefits that our patients should rightly expect from their policies. “Freedom-of-Choice” dental plans have been developed by the ADA and TDA in response to our patients’ concerns in an effort to help obtain quality dental coverage at a reasonable cost while preserving your right to go to the dentist of your choice. I hope you will consider these options and investigate them thoroughly. I’m confident you will find them to be true win-win-win solutions.

Timothy P. Shannon, DDS

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