

# The 8 Most Important Question to Ask the Dental Insurance Company Before You Join

Are you in the process of obtaining or changing your dental insurance? Are you considering terminating your dental insurance all together? Has the “Obama Care” impacted your dental insurance offered by your employer?



Well, be sure to read on to find out what you need to ask your insurance agent before you sign on.

**Questions #1:** Do I have to go to a particular dentist or can I choose my own dentist?

Answer: If the insurance is HMO type, you are forced to select a dentist. There may be a small group of dentists that you can choose from based on your location. Ultimately though you will always have to see that one dentist. To put it differently, you are assigned to that dentist because the insurance company pays that dentist a dollar amount for you, whether you see the dentist or not.



If the insurance is a PPO type plan, then you are not forced to see a dentist because you are not assigned to any one dentist. You will have access to a wider group of dentists. You will be able to see a dentist that is a “provider” for your PPO plan as well as a dentist that is a “non-provider” for your plan. This is often times referred to as staying “in network” or going “out of network”. What’s the difference of staying “in network” vs.

“out of network”? From a cost perspective you will save more by staying “in network”.

**Question #2:** Are there “waiting periods” before insurance benefits are available?

Answer: More often than not the answer is yes. But it is a question you need to ask. If you don’t know what “waiting period” is, it refers to the number of months you need to wait before you are eligible to receive the insurance benefits you are paying for.

For example, let’s say your tooth breaks and you know it needs a crown. You don’t have insurance and since you have heard crowns cost a lot you decide to get insurance to help you pay for the crown. If the insurance has a “waiting



period” of 12 months for crowns, then you won’t have insurance benefits for the crown for one full year. You can still have the tooth repaired but the insurance company pays the dentist zero dollars, meaning you will pay for the full cost of the crown, plus your monthly premiums to the dental insurance for one year.

**Question #3:** What are the coverage percentages for the different categories of dental services?



Answer: In dentistry, for insurance purposes, any dental service provided falls into one of 3 categories. These are typically called: Preventative, Basic and Major. A usual dental check up and teeth cleaning is considered a “preventative” service. A dental filling or periodontal treatment is typically considered a “basic” service. Root canals, crowns or extractions are sometimes considered “major” treatment and other times “basic”. The significance is that the insurance pays for these 3 categories at different percentages.

Typically “preventative” services are covered 80-100%. “Basic” services are about 60-80%. “Major” services are paid at 60% or lower rate. So when it comes to deciding between 2 insurance plans that on surface advertise the same coverage but at different rates, you should look at their coverage percentages. Some insurances pay next to nothing for Major services. Other insurances place ridiculous restrictions on how your benefits are applicable. These will impact on how much you will ultimately be paying out of your pocket.

**Question #4:** What are the coverage percentages for the different categories of dental services if going out of network?

Answer: Most insurance companies talk about their reimbursement rates for their contracted “providers”. So when they tell you Preventative services are covered 100% that only applies if you stay in network. But when you go out of network, they will reduce the percentage of reimbursement to 80% or less. They will even apply the annual deductible at this time as well. Why would they do this? Because the insurance company wants to make you stay in network. This way they will pay less for your treatment therefore saving more of your premiums for their profit. It’s their greed, pure and simple. Even though you are still paying the



same premiums to the insurance company, and you know that you will pay more for your treatment out of your own pocket, the insurance company dings you even more by paying at a lesser percentage.

While this has been going on for many years, recently the insurance companies have gotten even greedier. They have started not covering the treatment if you were to go out of network. For instance, they will pay partially for you to be seen for diagnostic services outside of the network. But if you then wanted to have the dentist that is out of network actually perform the recommended treatment, say a crown, for you, there are no benefits! Not very fair to the consumer (e.g. you) or to the dentist.

**Question #5:** Is there a “Missing Tooth Clause” in the policy?



Answer: Let’s say you have lost a tooth several years ago, or even recently. The point is you are missing a tooth. You then get dental insurance. Some insurance companies consider that you have no benefits allowed for that tooth since it was already missing when you got the insurance. If you don’t know this and then decide to get a replacement tooth like an implant or a bridge, the insurance company will not pay for that service. This means that you’ll pay for the treatment all out of your pocket. Again, not very nice.

**Question #6:** What are the “Exclusions” and “Special Conditions” of the policy?



Answer: This varies greatly between insurances companies and even policies within the same company. For example an insurance company may not pay for a white filling on a back tooth, or they may pay for it at a reduced rate, leaving you with a bigger bill to foot.

Some insurance companies will not pay for a porcelain crown for a molar. They may instead pay for a metallic crown. Essentially they are forcing you into either paying for everything on your own or accepting the lousy choice they offer.



Some insurance companies are even getting sneaky about these exclusions. For example, for many years when you have needed a specialized form of gum therapy called “deep cleaning”, it was spread out over 2 or more dental visits. So this is essentially the way things have been done for many years and some would consider it the norm. Some insurance companies are now only paying for this service if it is all performed on the same date. You can see how this “sneaky” exclusion can cost you several hundred dollars out of your pocket.

Some plans place an “Age” restriction on a service. For example, let’s take Orthodontic benefits. These are separate from the dental benefits we had discussed earlier. If your insurance company is offering you this benefit, ask about age or other restrictions. If you are over 40 and considering braces and your insurance told you that you have Orthodontic benefits only to find out that there is an age limit for this service. Essentially you have been sold a benefit which you can never use. Rather useless most would agree.



Some insurances exclude “Implant” benefits. So even though you may have say \$1500 annual dental benefits that you haven’t touched, if you end up losing a tooth and needing a dental implant they would not cover it! And even if they offer implant benefits, they have placed a lifetime limit on it which is equivalent to about one dental implant. So even though the baby boomers on average have 3 or more teeth missing, their insurance has dictated that all they need is one implant! Wonder when they will start placing a limit for fillings, like after so many fillings you have to have the tooth extracted!

### **Question #7: What is their policy for replacement of old and worn out or defective fillings and crowns?**

Answer: This is commonly referred to as “Prosthetic Replacement Coverage”. A dental crown is considered a prosthesis. Most insurance companies offer replacement coverage of 5 years on crowns and 2 years for fillings.



Meaning that if your crown needed replacement after 4 years for some reason, they would not cover it since it is less than their 5-year limit. By the way, there is no telling as to how these numbers were determined. While we are all unique and special in our own way, we do fit some general norms (like out height) while we may not fit others so easily (like shoe size for someone who is a certain height). The

point here is that for everything most people fall in the norm, but there are those who do not. However, insurance companies have decided that all people fit one mold and that we all treat our teeth the same. Not very realistic as you can see, but that is insurance for you.

While it hasn't happened yet, it may not be long before they start increasing these arbitrary times or even denying coverage for replacements all together.

### **Question #8:** What are the annual benefits? Is this policy really worth it?

Answer: This comes down to pitting the benefits the insurance (allegedly) offers vs. the monthly premiums they (certainly) want to collect plus their annual deductible (that you pay). Look at current customer reviews of that insurance company by doing a simple google search. Look up the rating of the insurance company. Consider their exclusions or limitations and waiting periods for the policy you are considering. Is it a HMO or PPO insurance? This last question is a biggie because it will determine the quality of care you will receive. If you don't mind waiting countless hours in the "waiting room" of the dentist, only to be treated by an under-trained and over-utilized dental assistant doing what the dentist tells him/her to do, all the while being up-sold on treatment that is "not covered by your insurance", then the HMO is the way to go. Certainly we do not recommend this option for anyone.

Figuring out if dental insurance is worth it is a time consuming task that is daunting to most people. So we have made it easy for you and looked at and analyzed a number of different scenarios to see if dental insurance is worth it. And the bottom line is this: having dental insurance offers nothing more than the proverbial "peace of mind". For dental insurance to be consumer friendly (meaning benefiting the person insured) the annual benefits would have to be higher than \$5000. On average most dental insurances now-a-days have annual benefits in the range of \$1500-\$2000. In our analysis, if the insurance premiums were paid for the employee by the employer (without taking it out of the employee's paycheck) then this would be good for the employee. However, in most cases what the employer pays for the dental insurance for each employee gets deducted from their paycheck.

### **Bottom Line:**



The truth when it comes to dental insurance is that there are very few plans worth having.

When you add up your monthly premiums to your out-of-pocket expenses when visiting the dentist, you are actually paying more overall. It is more cost effective just to pay for dental services you receive when you see the dentist. Most dentists generally appreciate having patients pay for the services directly. They will typically offer you a cash discount which saves you even more. Some dentists even offer their own insurance catered to fit the dental needs of their clients. Talk to your dentist directly to see what discounts are offered to those with no dental insurance.

When it comes to insurance, especially dental insurance, you cannot win (unless you are a shareholder or a top level exec of the insurance company). They place silly restrictions on what you can and cannot

have done, tying the dentist's hands to offer you very limited choices. They continually keep increasing the premiums citing rising cost of living and the rising cost of healthcare. However, the only thing that actually rises is their profit. If they were actually increasing the premiums to cover the rising cost of healthcare, wouldn't your annual benefits also increase? The list of exclusions also keeps getting longer, meaning they will deny more of your care. They force you to go to a dentist they want you to go to without admitting to it. Even when it comes to paying the dentist for the services that you need, they play games by saying that the service provided was not necessary. Sometimes they "lose" a claim without any explanation. This way they get to keep your premiums in their stock portfolio for another 30 to 60 days collecting more interest.

Armed with this knowledge you are better prepared to compare and contrast different dental insurance plans to see if they offer a good product for you. Use the handy table on the next page to take notes on each insurance plan you are considering and then consider them objectively and side-by-side.

At the end you get to see if it actually pays to buy that insurance plan.

<b>Insurance Name</b>		
<b>HMO/PPO</b> (HMO = cheap premiums, low quality, poor service, poor care. PPO = higher premiums, better quality, better service, meets and exceeds standard of care)		
<b>Annual Benefits</b> (This is what the insurance company is selling you in benefits yearly, whether you use it not)		
<b>Monthly Premiums</b> (Calculate the following annual premiums = 12 x monthly premiums) This is what you pay to the insurance company yearly in premiums alone.		
<b>Annual Deductibles</b> This is what you pay to the insurance company on top of the monthly premiums when you actually need a service like a filling.		
<b>What you are getting =</b> Annual Benefits - Annual premiums - Deductible = +/- Obviously you want a positive number here meaning your benefits are more than your premiums.		
<b>Waiting Periods?</b> If yes how long?		
<b>Coverage Percentages %</b> -Preventative -Basic -Major -Is it the same for "in network" vs "out of network" providers		
<b>Services considered Preventative</b>		
<b>Services considered Basic</b>		
<b>Services considered Major</b>		
<b>Missing Tooth Clause?</b> If yes, what is it?		
<b>Prosthetic Replacement Frequency?</b> If yes, how often for -for crowns -for fillings		
<b>Implant coverage?</b>		

If yes, are there limits? If yes, how much? Is coverage per lifetime or per year?		
<b>Orthodontic coverage?</b> If yes, any limitations (like age)? Benefits offered (\$ per year or lifetime?)		
<b>Frequency limitations</b> If yes, how often: For Crowns For Fillings For Deep Cleaning For Others		
<b>Decision</b> Based on everything you know now, is this a good buy or not?		