

Breaking Barriers: Dental Coverage in Medicare

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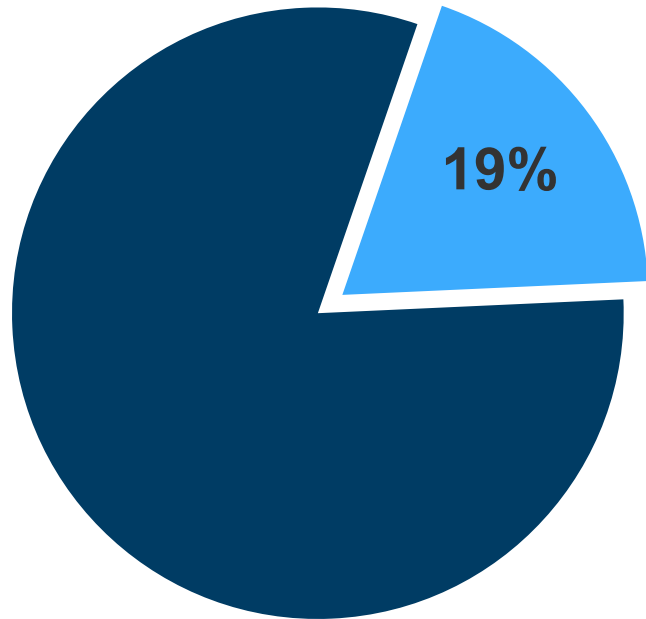
Our Goals for Today...

- ✓ Discuss the latest data on dental coverage in Medicare, use of dental care, out-of-pocket spending on dental care, and cost-related barriers to care
- ✓ Describe the scope of dental benefits offered by Medicare Advantage plans
- ✓ Explain recent policy efforts to include a dental benefit in Medicare

Figure 2

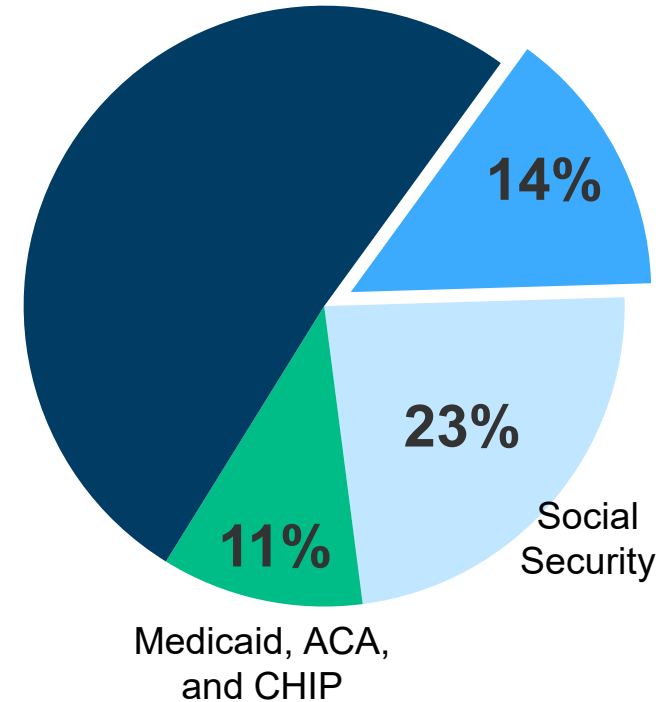
Medicare Overview

**Medicare Beneficiaries:
19% of U.S. Population**



*Total Beneficiaries, 2019:
61.3 million*

**Medicare:
14% of the Federal Budget**

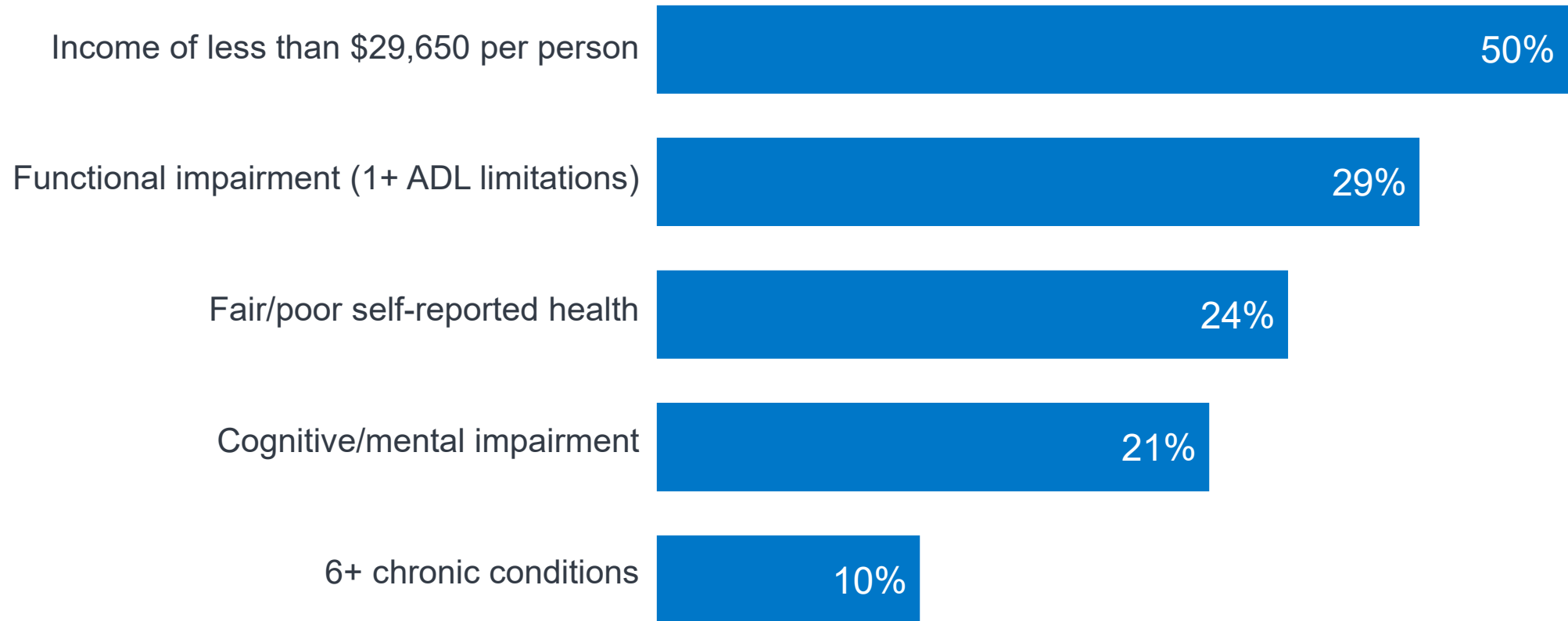


*Net Federal Medicare Outlays, 2019:
\$644 billion*

Figure 3

Some on Medicare Enjoy Good Health, But Many Have Significant Health Impairments and Limited Financial Resources

Percent of All Medicare Beneficiaries:



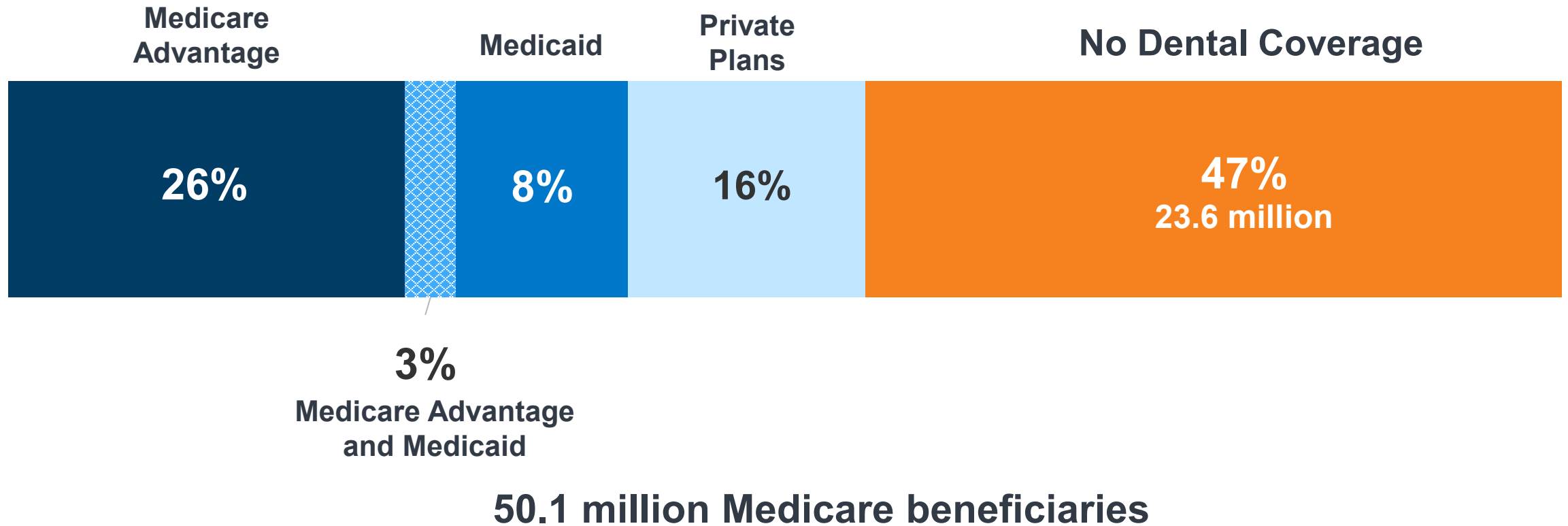
NOTE: ADL is activity of daily living.

SOURCE: KFF, "Medicare Beneficiaries' Financial Security Before the Coronavirus Pandemic," April 2020; "Racial and Ethnic Health Inequities and Medicare," February 2021.

Figure 4

Nearly Half of All People on Medicare (47%) Have No Dental Coverage

Share of Medicare beneficiaries with access to dental coverage, 2019

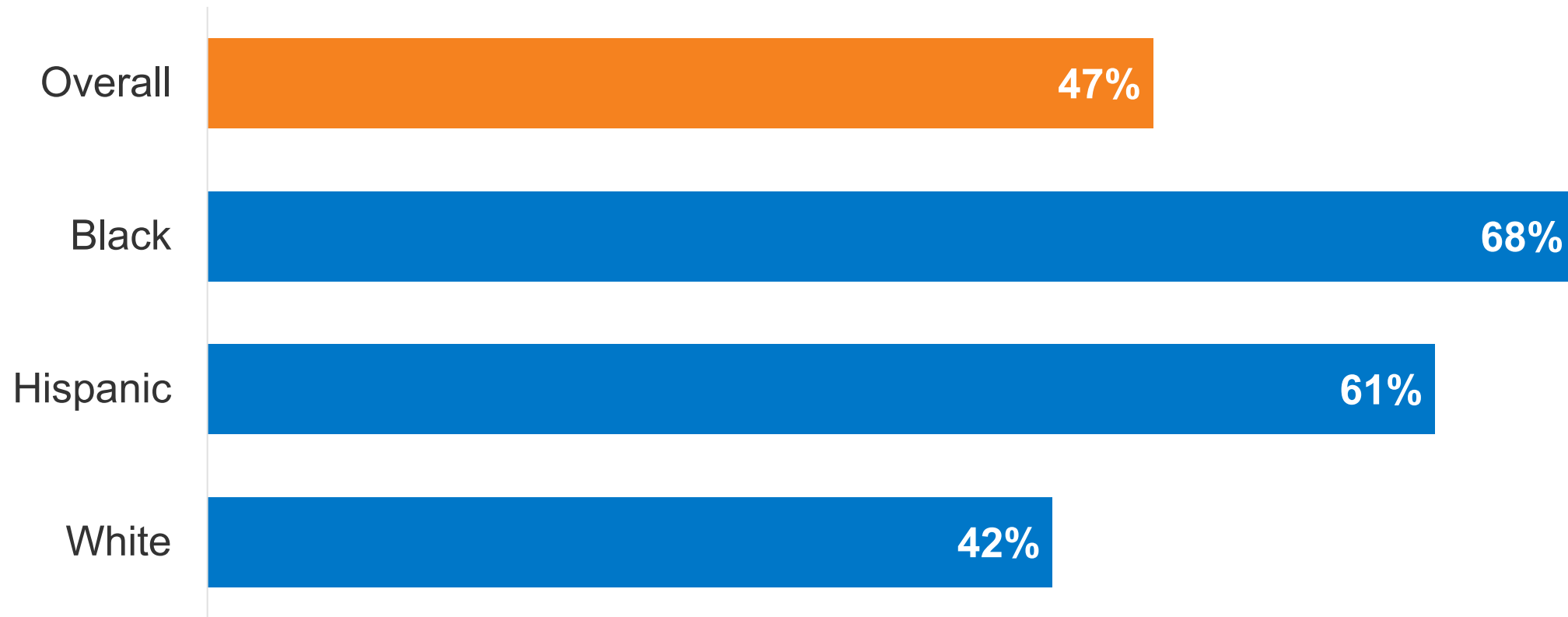


SOURCE: KFF, "Medicare and Dental Coverage: A Closer Look," July 2021.

Figure 5

Nearly Half of Medicare Beneficiaries Did Not Have a Dental Visit, With Even Higher Rates Reported Among Those Who Are Black or Hispanic

Share of Medicare Beneficiaries who did not visit the dentist in the past year by race/ethnicity, 2018

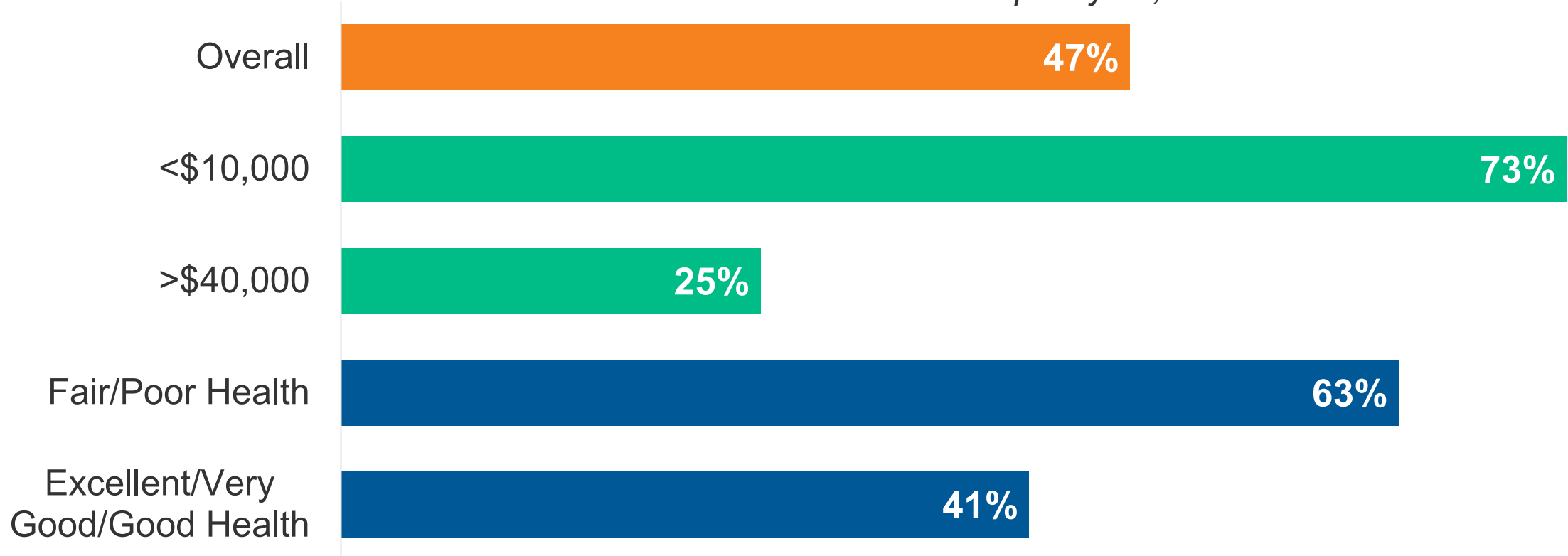


NOTE: White is the reference group. All results are statistically significant.
SOURCE: KFF, "Medicare and Dental Coverage: A Closer Look," July 2021.

Figure 6

Similarly, Those With Low Incomes and in Poor Health Were More Likely to Not Go to the Dentist in the Past Year

Share of Medicare Beneficiaries who did not visit the dentist in the past year, 2018



NOTE: All results are statistically significant.

SOURCE: KFF, "Medicare and Dental Coverage: A Closer Look," July 2021.

Figure 7

One in Five Medicare Beneficiaries Who Used Any Dental Services Spent More Than \$1,000

Distribution of out-of-pocket dental costs for beneficiaries utilizing dental services, 2018

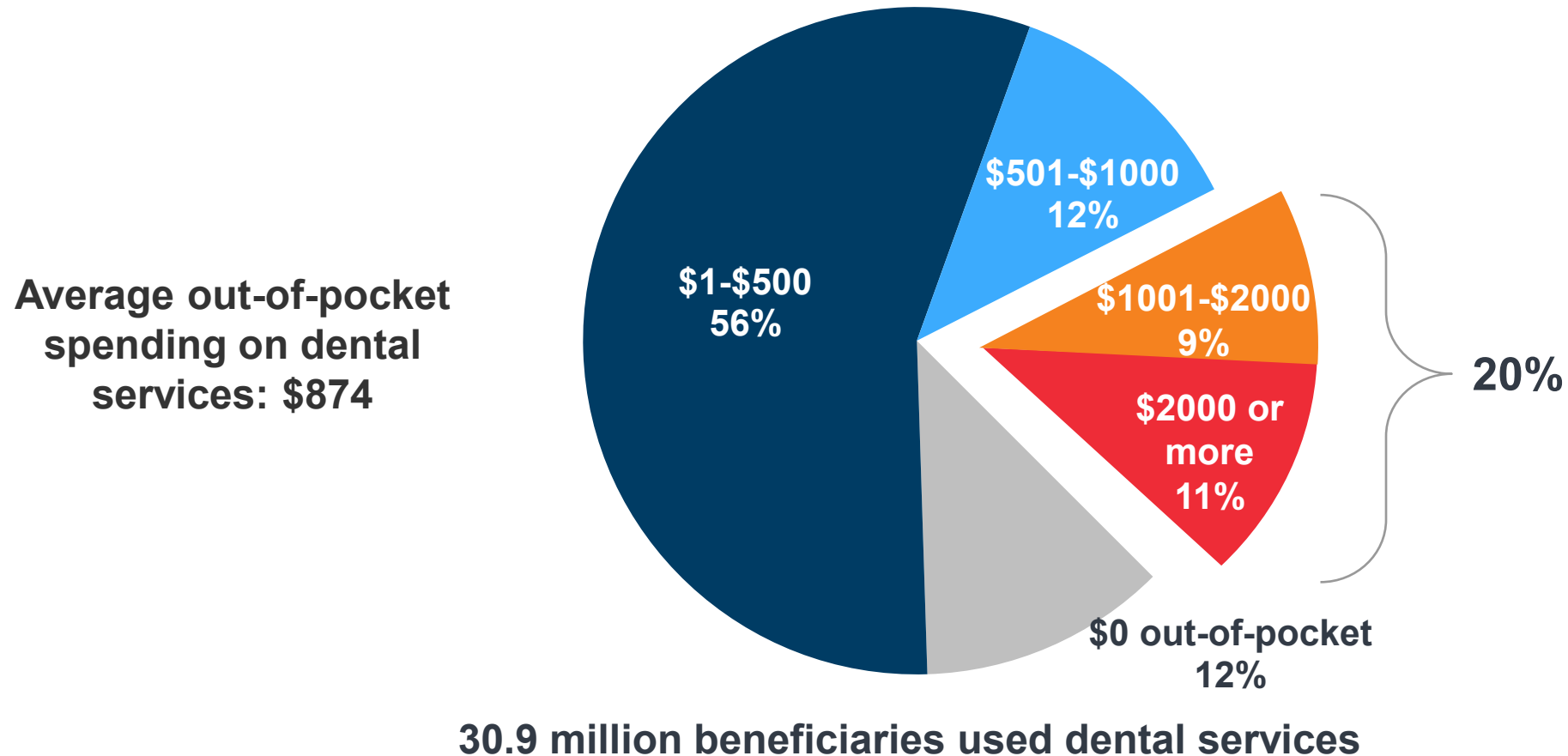


Figure 8

Medicare Advantage Enrollees Spent Less Out of Pocket on Average for Dental Care Than Beneficiaries in Traditional Medicare in 2018

Average out-of-pocket costs among beneficiaries utilizing dental services:



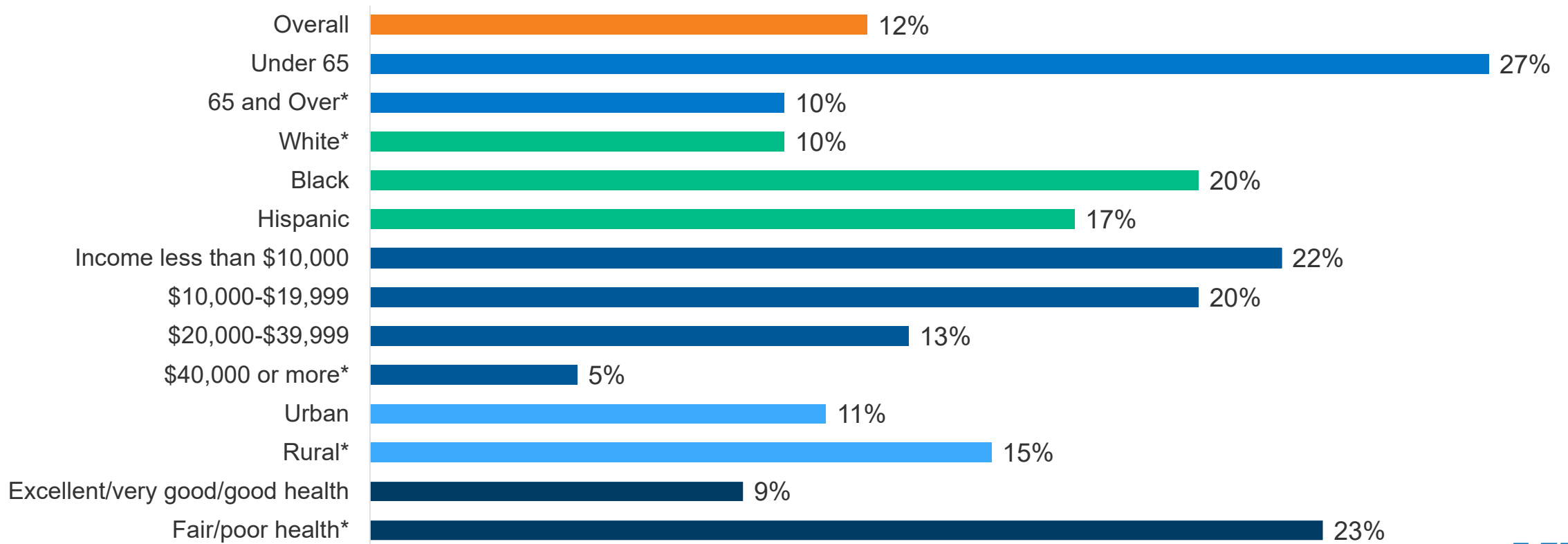
NOTE: The difference between Medicare Advantage and traditional Medicare is statistically significant ($p < 0.05$).

SOURCE: KFF, "Dental, Hearing, and Vision Costs and Coverage Among Medicare Beneficiaries in Traditional Medicare and Medicare Advantage," September 2021.

Figure 9

The Share of Medicare Beneficiaries Saying They Couldn't Get Dental Care in the Last Year Was Highest Among Those Under Age 65, with Low Incomes, in Poor Health, and in Communities of Color

Percent of Medicare beneficiaries reporting in 2019 there was ever a time in the last year they could not get dental care:



NOTE: Labels in italics indicate reference group for statistical testing. Asterisk (*) indicates estimate for group is statistically significant from reference group (p<0.05).

SOURCE: KFF analysis of CMS 2019 Medicare Current Beneficiary Survey data.

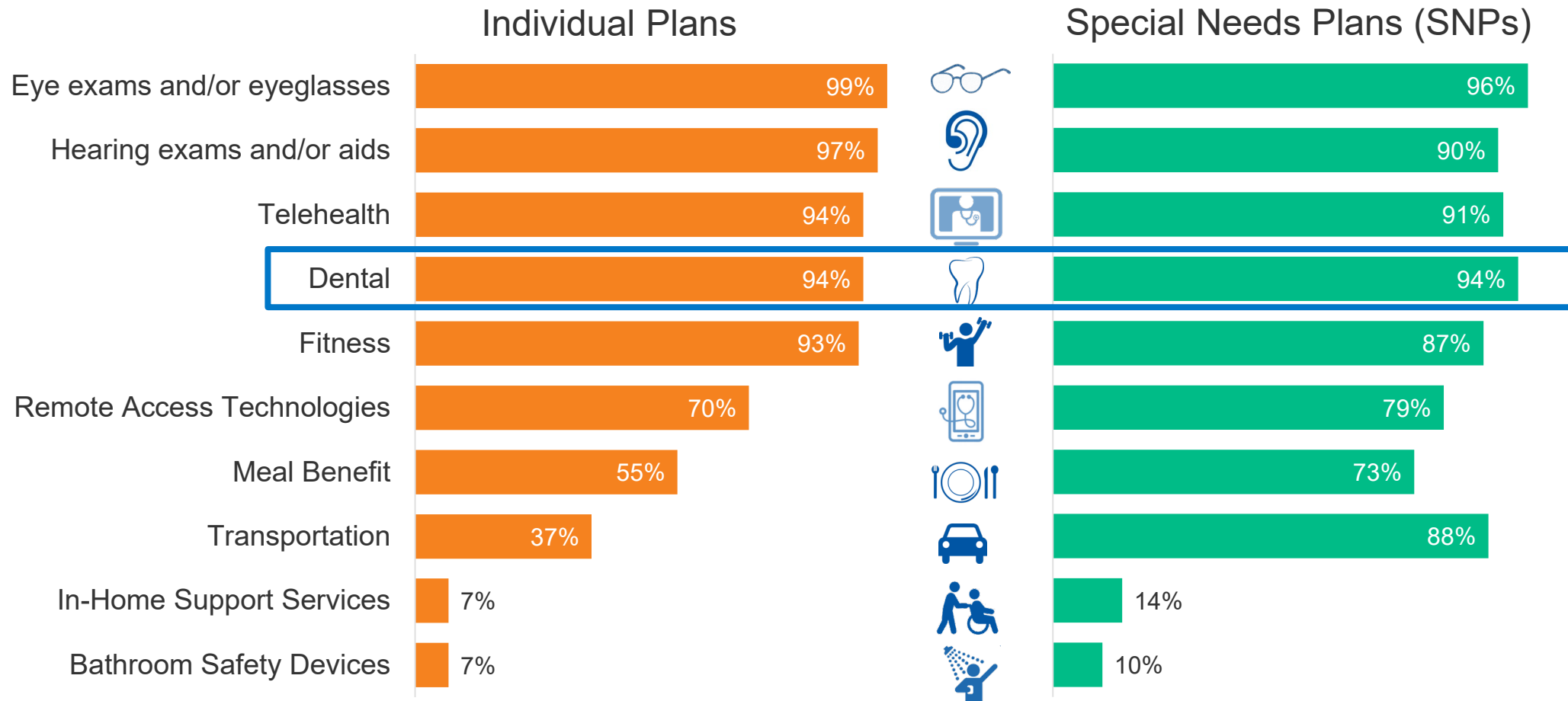


What is Medicare Advantage?

- Medicare beneficiaries can choose to get their Medicare benefits (Part A and Part B) through the traditional Medicare program, or they can enroll in a Medicare Advantage plan, such as a Medicare HMO or PPO
- Medicare pays private insurers a fixed amount per enrollee (adjusted for health risk) to provide all Medicare-covered benefits; most plans receive higher Medicare payments based on star quality ratings
- That payment amount is determined through an annual process in which plans submit “bids” for how much they estimate it will cost to provide all Medicare-covered benefits for an average beneficiary
- The bids submitted by each plan are compared to a benchmark. Plans that bid below the benchmark receive a portion of the difference between the bid and the benchmark as a “rebate”
- Rebates must be used to reduce cost sharing, subsidize the standard Part B and/or Part D premium, or pay for supplemental benefits (such as dental, vision, and hearing)
- A portion of the rebate may also be used for administrative costs or retained as profit

Figure 11

Most Medicare Advantage Enrollees Have Access To Some Benefits Not Covered By Traditional Medicare In 2021



SOURCE: KFF, "Medicare Advantage in 2021: Premiums, Cost Sharing, Out-of-Pocket Limits and Supplemental Benefits," June 2021.

Medicare Advantage Dental Benefits

- In 2021, 94% of Medicare Advantage enrollees in individual plans, or 16.6 million people, have access to some dental coverage
 - 86% of these enrollees are in a plan with preventive and more extensive coverage
 - 14% are in a plan with preventive coverage only
- Preventive dental coverage under Medicare Advantage plans generally includes:
 - oral exams, cleanings, dental x-rays, and sometimes fluoride treatments
- More extensive benefits cover a range of services, including:
 - restorative services (e.g., fillings)
 - endodontics (e.g., root canals)
 - periodontics (e.g., scaling and root planing)
 - prosthodontics (e.g., dentures, dental implants)
- 10% of Medicare Advantage enrollees are required to pay a separate premium to access dental benefits
 - For these enrollees, premiums average \$270 per year, or about \$22.50 a month

The Scope of Covered Dental Benefits Varies Across Medicare Advantage Plans

Preventive Services

Virtually all Medicare Advantage enrollees in plans with dental benefits have access to preventive services:

- 100% of enrollees are in plans that cover oral exams
- 100% are in plans that cover cleanings
- 99% are in plans that cover x-rays
- 59% are in plans that cover fluoride treatment

More Extensive Services

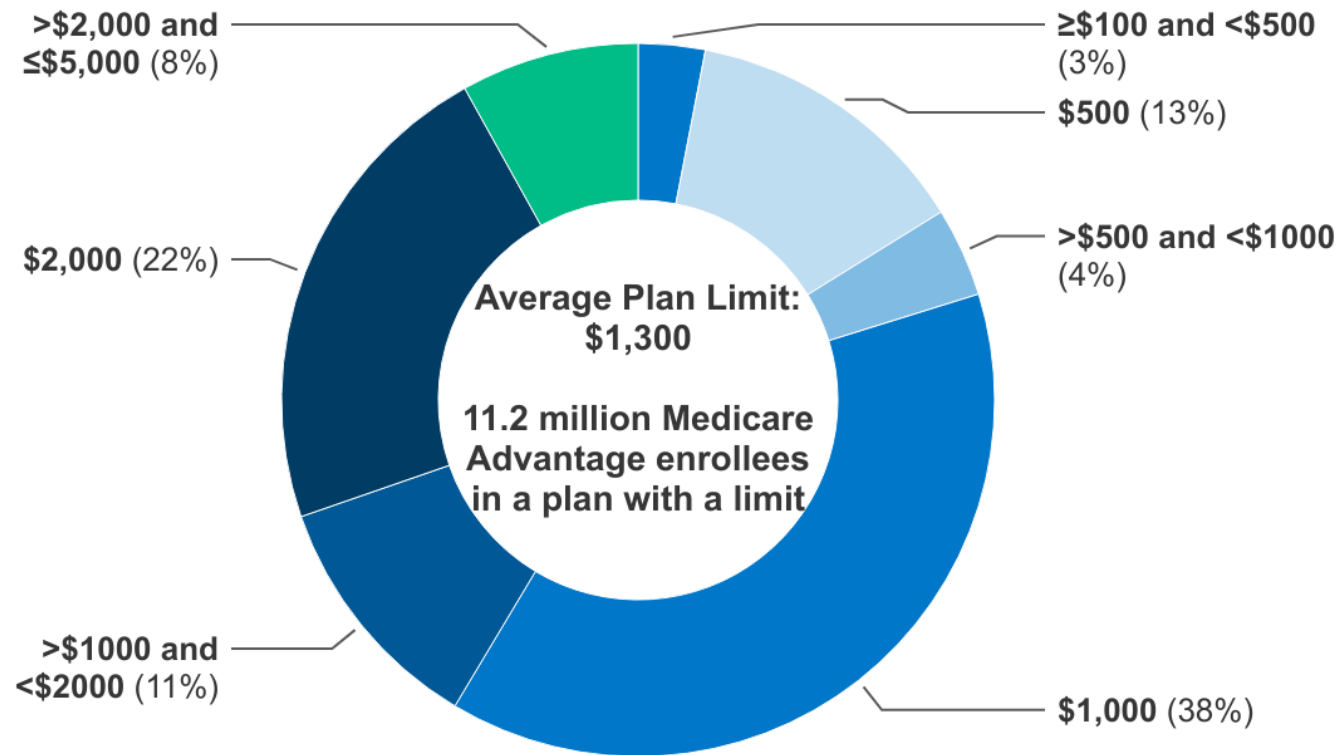
Among enrollees in plans that offer access to more extensive services, the type of covered services varies across plans:

- 96% are in plans that cover restorative services
- 83% are in plans that cover extractions
- 76% are in plans that cover periodontics and/or prosthodontics
 - As part of the prosthodontics category, some enrollees may have access to coverage for dentures
- 64% are in plans that cover endodontics
- 60% are in plans that cover diagnostic services and/or non-routine services

Figure 14

More Than Half (59%) Of Medicare Advantage Enrollees Are In Plan With A Maximum Dental Benefit Of \$1,000 Or Less

Maximum Medicare Advantage Dental Plan Benefit, 2021 (Among Those in Plans with a Limit)



Preventive Services Are Often Covered Without Cost Sharing; For More Extensive Dental Services, 50% Coinsurance Is the Norm

Preventive Services

- Nearly two-thirds of enrollees (64%) with access to preventive benefits **pay no cost sharing for these services**, though their coverage is typically subject to an annual dollar cap.

More Extensive Dental Services

- For plans that offer more extensive benefits and require cost sharing, coinsurance is more common than copayments, and **the most common coinsurance amount is 50% across the more extensive service categories**
- Cost sharing for more extensive dental services varies across plans (and services) and are typically subject to annual plan limits.

Medicare Advantages Tradeoffs for Beneficiaries

Potential Advantages

- One stop shopping – no need for Medigap or separate Part D plan
- Lower premiums than Medigap; most pay no premium other than Part B
- Plans typically offer additional benefits (e.g. dental, vision, and hearing)
- Plans have an out-of-pocket limit for benefits covered under Parts A and B
- Potential for better coordinated care

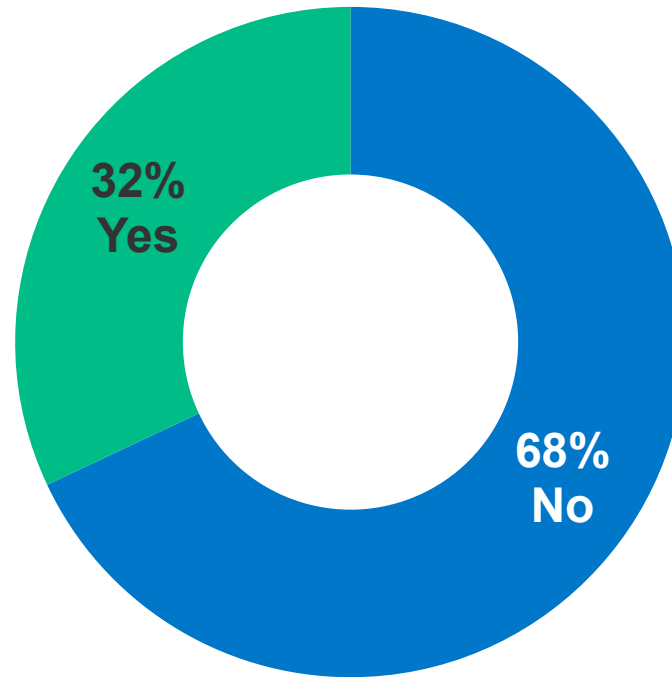
Potential Disadvantages

- Limited provider network
- Potential for higher out-of-pocket costs for certain services – e.g. lengthy inpatient stays
- More utilization review than traditional Medicare
- No choice of separate drug plan to reduce drug costs
- Limited ability to switch back to traditional Medicare with Medigap

Figure 17

Nearly 7 in 10 Medicare Advantage Enrollees Did Not Compare Plans During the 2018 Open Enrollment Period for Their 2019 Coverage

During the 2018 open enrollment period, did you compare your Medicare insurance plan with other Medicare plans that were available?



21.4 Million Medicare Advantage enrollees



SOURCE: KFF, "Seven in Ten Medicare Beneficiaries Did Not Compare Plans During Past Open Enrollment Period," October 2021

Recent Policy Efforts to Include a Dental Benefit in Medicare

- **116th Congress:**

- The House of Representatives passed the Elijah E. Cummings Lower Drug Costs Now Act (H.R.3), which among many provisions, provided for dental coverage under Part B of the Medicare program
- The Congressional Budget Office (CBO) [estimated](#) this benefit would cost almost \$238 billion over 10 years (2020-2029)

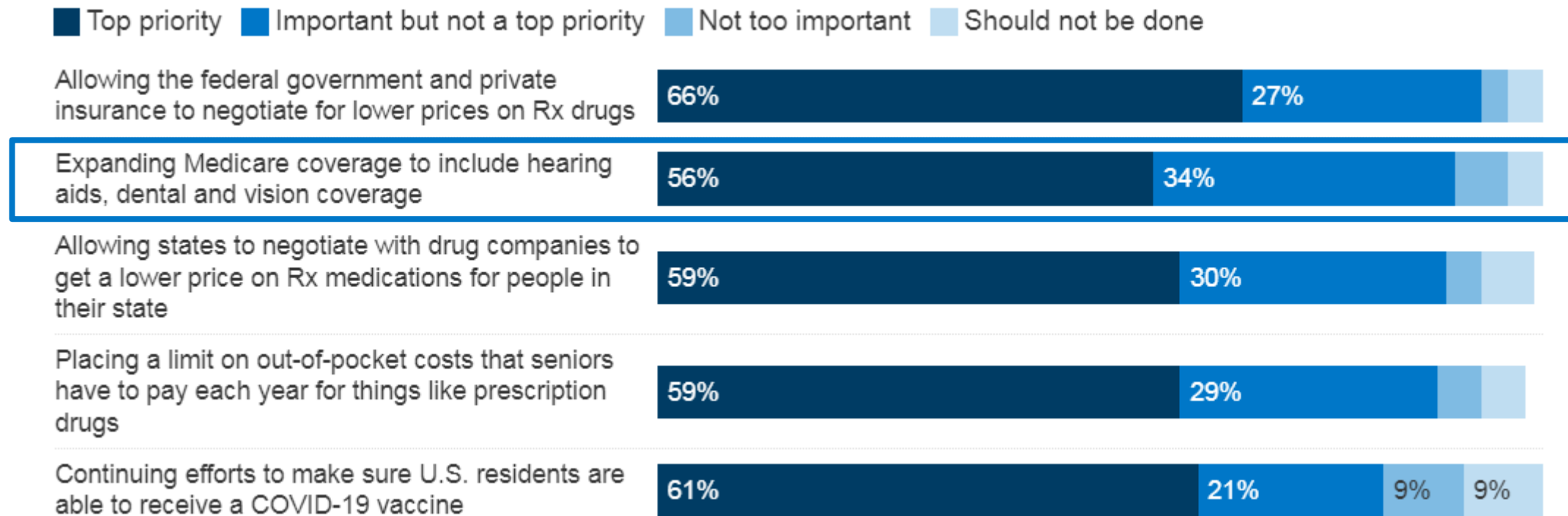
- **117th Congress:**

- Earlier versions of the Build Back Better Act included adding dental, as well as vision and hearing services, to Medicare under Part B
- But dental and vision services were later dropped from the version of the legislation that ultimately passed the House

Figure 19

About 90% of the Public Thinks Expanding Medicare to Include Dental, Hearing, Vision Is A “Top” Or “Important” Priority For Congress

Is each of the following a top priority for Congress, important but not a top priority, not too important, or should it not be done?



SOURCE: KFF Health Tracking Poll (May 18-25, 2021)





Thank you.