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Correspondence Memorandum

Date: May 12, 2017
To: Group Insurance Board
From: Shayna Schomber, Optional & Self-Insured Health Plans Manager
Office of Strategic Health Policy
Subject: Uniform Dental Benefit Changes

ETF recommends the Board approve the following benefit changes for the Uniform Dental Benefit Plan, effective January 1, 2018:

- Reduce bitewing x-ray coverage
- Enhance sealant benefit
- Add medicament coverage
- Add Evidence-Based Integrated Care Plan (EBICP) benefits

Summary of Changes

The proposed benefit changes are recommended to better align with industry standards and best practice recommendations from the Wisconsin Dental Association (WDA) and the American Dental Association (ADA).

Reduce Bitewing X-ray Coverage

Bitewing x-rays are currently covered twice per year under the Uniform Dental Benefit. The Board's dental benefit administrator, Delta Dental (Delta) indicated the industry standard for bitewing x-rays is once per year. This change was also previously recommended by the WDA. The estimated savings from this change is 0.2% of total claims, or approximately \$108,000 in savings annually.

Enhance Sealant Benefit

Sealants are protective barriers that fill in the deep grooves of back teeth, which are most prone to tooth decay. Sealants can reduce cavities by as much as 70%, and the ADA considers it to be one of the most effective cavity-preventing therapies available.

Sealants under the Uniform Dental Benefit are covered up to age 16 once per lifetime, first and second molars only. Staff recommends increasing the maximum age for sealants from 16 to 19 years of age, once per lifetime, first and second molars only.

Reviewed and approved by Lisa Ellinger, Director, Office of Strategic Health Policy

Electronically Signed 5/17/17

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This change was recommended by both Delta and the WDA to align with industry standards and ADA guidelines. According to Delta, the return on investment of sealants for 15 to 19 year- olds is approximately \$40 per patient treated per year.

Delta estimates annual costs of 0.5% in total claims, or roughly \$270,000, for sealants up to age 19. It should be noted that this cost estimate does not account for likely future cost savings due to increased preventive care.

Add Medicament Coverage

Medicament is a topical alternative to a filling that intended to be a short-term solution, typically for primary teeth. The rate of application is very low, as this is used in limited situations. For example, application of medicament could be used as an alternative to general anesthesia for a primary tooth cavity in a child with special needs.

The expected cost of adding this coverage is a maximum of 0.1% of total claims, with a limit of 2 services per year. This translates to an additional annual claims costs of approximately \$54,000.

Evidence Based Integrated Care Plan (EBICP)

EBICP expands benefits for specific health conditions which are considered to be at risk for adverse dental impacts. For example, members receiving cancer treatment may experience a suppressed immune system leading to increased likelihood of periodontal disease. The EBICP benefit would cover fluoride application benefits for this member. EBICP also provides additional dental cleanings for members with diabetes, certain cardiac conditions or who are undergoing dialysis, and during pregnancy.

Delta does not have access to ETF member medical data in order to determine total cost savings, but there is data available through research studies.

Delta estimated an increase of approximately 0.27% of total claims, or additional annual costs of \$146,000 for adding the EBICP benefit. Delta also shared research that indicates a return on investment for diabetics at \$2,000 in medical claims for every patient treated. Please note that diabetes is only one of the conditions included in the EBICP, but it is the only condition with reliable research data.

Total Costs

For all recommended changes, the estimated cost increase is about \$362,000 or approximately 0.67% of total claims costs.

	Cost (% of claims)	Cost (dollars)
X-Rays	-0.2%	- \$108,000
Sealants	+0.5%	\$270,000
Medicament	+0.1%	\$54,000
EBICP	+0.27%	\$146,000
Total	+0.67%	\$362,000

Recommendation

Wis. Stat. § 40.03 (6) (c) restricts the Board from modifying or expanding benefits unless the change would maintain or reduce premium costs in future years. While the proposed benefit changes do have an up-front cost, the changes are primarily preventive care benefits that should reduce future costs. These changes are not expected to have an effect on overall premiums for 2018. ETF will track and evaluate the costs and outcomes of these programs and bring results back to the Board in future years.

Staff will be at the Board meeting to answer any questions.