

# The State of Delaware

## Dental Benefits Overview and Upcoming Request for Proposals

June 29, 2021



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# Today's discussion

- Dental industry trends
- Overview of the State's dental plan offerings
- Key areas for evaluation in the Dental RFP
- Next steps

# Dental industry trends

Network, design and clinical dynamics present opportunities in addition to emerging virtual / mobile care models

The link between periodontal health and other systemic chronic conditions is clear



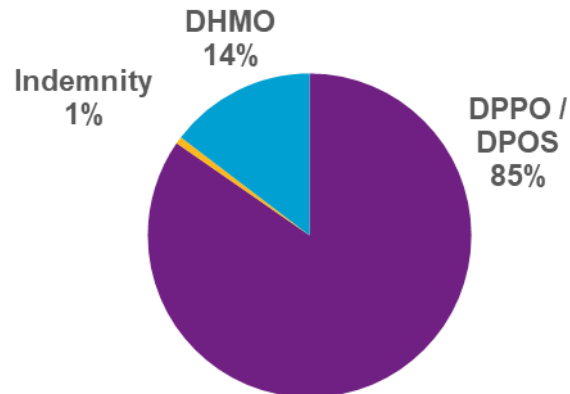
Bacteria that live in your mouth can cause heart disease, high blood pressure and stroke

## DENTAL BENEFIT DYNAMICS

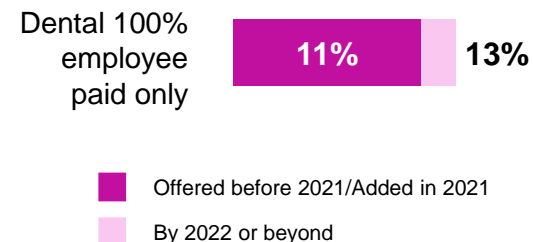


- Virtual dentistry
  - Direct-to-Consumer Orthodontics
  - Mobile Dentistry
- Technology Engagement Solutions
- Clinical Integration
- Role of Dentistry in Opioid Crisis
- Vendor Landscape
- Network Complexity
  - Primary vs. Secondary
  - Utilization
  - Shared Savings
- Plan Modernization
- Network/Cost Evaluation

Dental PPO plans continue to be the **most popular** type of dental benefit plan by a large margin<sup>1</sup>



Across all industries, about **1 in 10** employers currently offer **voluntary** (employee-pay-all) dental benefits<sup>2</sup>

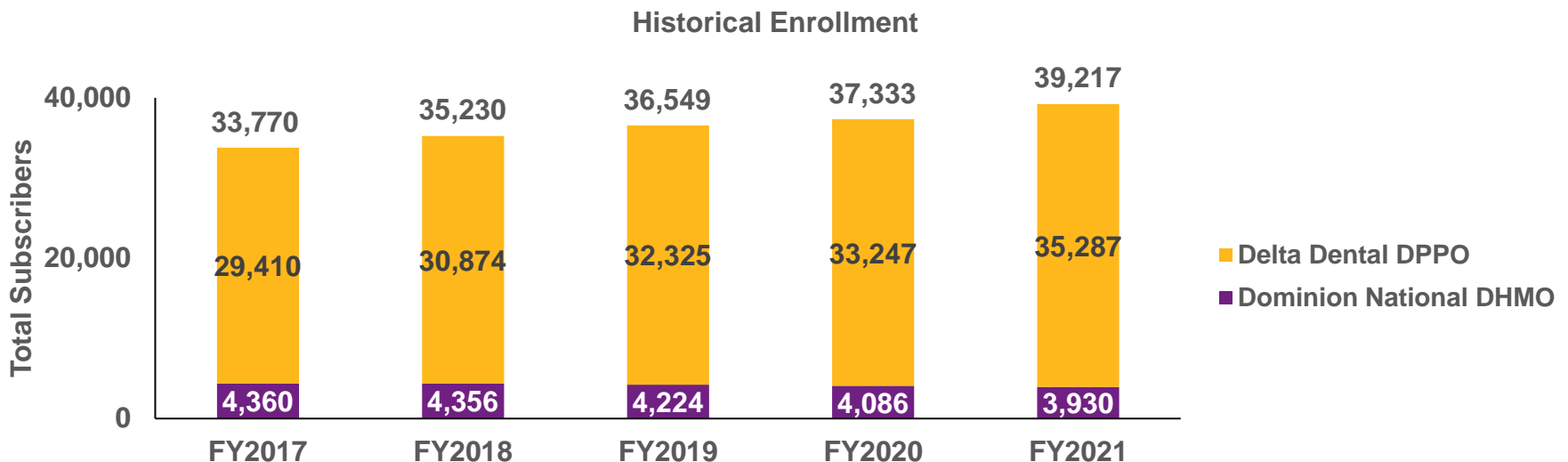


<sup>1</sup> Source: Willis Towers Watson High Performance Insights in Health Care: 2021 Health Care Financial Benchmarks Survey (N = 1,793)

<sup>2</sup> Source: Willis Towers Watson 2021 Emerging Trends in Health Care Survey, United States (N = 238)

## Overview of the State's dental plan offerings

- Eligible population: State employees, employees of some participating groups, and pensioners (both non-Medicare and Medicare), along with their eligible dependents
- Two plan options offered:
  - Dental HMO (DHMO) administered by Dominion National
  - Dental PPO (DPPO) administered by Delta Dental
- Dental benefit is voluntary: 100% of premiums are paid by employee/pensioner (no cost-sharing with the State)



## Key areas for evaluation in the Dental RFP

- Current contracts with both dental carriers will expire on June 30, 2022
- Dental RFP will evaluate several key elements of the State's dental plan offerings, including:
  - Optimal mix of dental plans offered to participants
    - May include alternatives such as a second DPPO option with reduced coverage for a lower premium
    - Impact on plan participants in terms of premium cost and potential provider disruption will be important considerations
  - Opportunities to offer enhanced plan provisions without significant increases to plan premiums
  - Clinical integration and focus on broader health topics such as opioid prescription drug management and enhanced benefits for certain conditions (e.g., diabetes)
  - Adoption of innovation such as technology engagement solutions and virtual dentistry

## Key areas for evaluation in the Dental RFP (continued)

### Assignment of Benefits (AOB) provision in the DPPO

- Adopted effective September 1, 2018
- Provision allows non-participating dentists to receive AOB for covered services if a signed attestation from a State plan participant is submitted with any claims for covered services
- Attestation is the plan participant's confirmation that, by using a non-participating provider, they agree to forego certain rights and protections that would have been available had the same covered services been provided by a participating dentist (ex: the right to not be balance billed)
- Provision may encourage participating providers to drop from Delta Dental's network
- **Dental RFP will explore potential future implications of retaining this provision on the State's contract with a dental carrier and on plan premiums**

## Key areas for evaluation in the Dental RFP (continued)

### Recent feedback from plan participants

- Availability of DPPO and DHMO dental network providers in Sussex County, Delaware
  - Members residing in this county have expressed difficulty with finding participating dental providers
  - Dental RFP will evaluate dental insurance administrator networks, and favorable consideration will be given to those with robust networks in Sussex County or those who are willing to guarantee their performance in recruiting additional providers in Sussex County into the network
- Adequacy of DPPO plan design provisions relative to premium cost
  - Retired plan participants have voiced concerns about the \$1,500 annual benefit maximum, along with coverage for certain procedures such as dental implants, is too low relative to the amounts retirees are paying in monthly premiums
  - Dental RFP will seek proposals that address this concern
- The SBO will be conducting a survey to collect additional feedback from plan participants and others who may be interested in this benefit
  - Survey findings will be shared with the Proposal Review Committee for consideration in the development of recommendations to the SEBC

## Next steps

- SBO dental plan survey – July-August 2021
- Dental RFP posted to Delaware's Bid Solicitation Directory – August 2021
- Proposals due from interested bidders – late August 2021
- Finalists interviewed by the Proposal Review Committee (PRC) – mid-November 2021
- SEBC to vote on PRC recommendations – December 2021
- Dental contract effective date – July 1, 2022