

Closing the Coverage Gap: Achieving Universal Dental Coverage for Children

Overview

In the United States, health insurance and dental insurance are often not connected. Although oral health is extremely important to overall health, medical and dental benefits have historically been separated under employer-sponsored insurance. There are different insurance carriers and different payment arrangements for dental coverage than for medical coverage. Dental insurance is offered less frequently to employees than medical insurance, with smaller employers far less likely to offer or contribute to a separate dental plan.¹

The 2009 reauthorization of the federal Children's Health Insurance Program (CHIPRA) gave states the ability to allow families to purchase dental insurance for children who would be eligible for CHIP if they didn't have private health insurance coverage. The opportunity to purchase dental benefits means families with private medical insurance can ensure that their children receive the important preventive and treatment services covered by dental insurance.

New York should enact the statutory and regulatory changes necessary to implement the CHIPRA supplemental-dental provision to ensure that no child forgoes preventive services or treatment because she does not have dental insurance. Ensuring that all children can have affordable dental coverage will bring New York closer to achieving true universal health coverage for children.

Coverage Improves Access to Care

Having dental insurance, either public or private, is a good predictor that a child will receive dental services.² Coverage for treatment is important, but **preventive** dental services are critical to ensure that teeth stay healthy and small cavities are identified before they become big problems. Preventive care can include screenings, cleanings, topical fluoride treatments such as varnish or rinses, dental sealants and education on dental hygiene.

Uninsured children are less likely than children covered by either public or private insurance to receive routine dental checkups.³ Only about 25% of uninsured children ages 2-17 receive routine dental care compared to



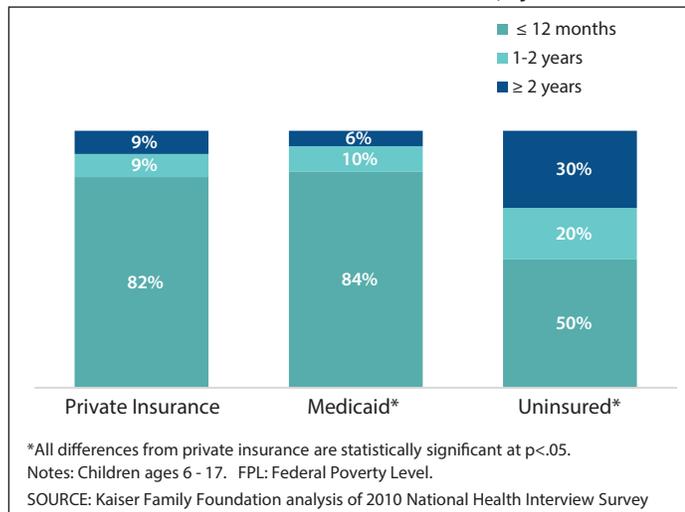
over half (56.5%) of children with private insurance and 40.5% with public insurance.⁴ A lack of dental insurance has been found to be a strong predictor of whether a child has unmet dental needs.⁵

Children Are Less Likely to Have Dental Coverage than Medical Coverage

As important as dental coverage is to receiving care, different studies estimate that between 20% and 30% of children do not have this benefit. In 2009, it was estimated that about one in four children nationally were uninsured for dental—twice the number who lacked health insurance.⁶ A 2014 report by the CDC estimated that approximately one-fourth of US children do not have dental insurance (private or public).⁷ A Kaiser Commission on Medicaid and the Uninsured report puts the estimate of children under age 19 with medical insurance but not dental insurance at nearly 30%.⁸ Parentally reported data indicates that about 22% of children lack dental coverage.⁹

In New York, the 2009-2012 survey, *New York Oral Health Status in Third-Grade Children*, conducted by the NYSDOH found that almost one in five families (20%) reported that their children did not have dental insurance.¹⁰ This is in contrast to estimates that only 3.9% of children in New York do not have medical insurance.¹¹ Precise estimates of the number of children who have medical insurance but not dental coverage is difficult in New York because no agency collects that data. While

Time since Last Dental Visit for Children ≤ 200% FPL, by Insurance 2010



Kaiser Commission on Medicaid and the Uninsured. (2012). *Children and Oral Health: Assessing Needs, Coverage and Access* (#7681-04). Washington, DC: Kaiser Family Foundation.

data are collected regarding employer-sponsored health insurance enrollment, that number does not include information about separate dental benefits.

Disparities in Coverage

Inequities in dental insurance coverage and dental care are evident by race and family socioeconomic status. According to a report by the Kaiser Commission on Medicaid and the Uninsured, low-income children are more likely than higher-income children to have dental coverage because of Medicaid and the Children’s Health Insurance Program (CHIP). This pattern is different than other disparity patterns in health care where higher income shows better benefits.¹² The same study found that among poor and near-poor children, White children were more likely to lack dental coverage than both African American and Hispanic children.¹³ In addition, rural children were less likely to have dental insurance than urban children.¹⁴

An analysis of national data by the Kaiser Commission on Medicaid and the Uninsured found that the share of children without dental insurance was 30% at incomes above 200% of the federal poverty level (FPL) and 12% among poor children.¹⁵ A parent’s place of employment can also make a difference in coverage. Small firms are far less likely to offer or contribute to separate dental benefits. Eighty-nine percent of large firms (over 200 employees) offer dental benefits compared to 53% of small firms (under 200 employees).¹⁶

Cost of Care

Out-of-pocket expenses for dental care can be steep. Families of children with private health insurance but no dental policy must pay directly for care, but even children

with private dental coverage may encounter prohibitive deductibles, co-pays, and expenses not covered by the policy. Dental costs are approximately 20% of a child’s total health expenditures and that number is growing.¹⁷

- In 2009 dental expenditures for children ages 5-17 accounted for \$20 billion or 17.7% of all health care spending for this age group.¹⁸
- Families paid about 40% of those dental costs out-of-pocket while 17% of medical costs were out-of-pocket.¹⁹
- Children uninsured for dental had the highest out-of-pocket costs at over \$400 per year.²⁰

Children’s Dental Coverage in New York

New York can be proud of its long history of recognizing the importance of dental care for children. The State’s Medicaid program covers essential dental benefits for children as required under the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program and Child Health Plus (CHP) has covered dental care for children since 1999. Both programs use the preventive dental schedule of services contained in the American Academy of Pediatrics (AAP) *Bright Futures* recommendations. Benefits include preventive cleanings, fluoride varnish, sealants, examinations, x-rays, and a range of treatment services. Dental coverage for both programs is included as part of the package so parents do not have to select separate dental insurance. There are no co-pays or deductibles for dental services in either CHP or Medicaid.

Children in families below 400% of the federal poverty level (FPL) are eligible for CHP if they do not have private health insurance and are not eligible for coverage under the public employees’ state health benefits plan. Children in families with income over 400% FPL may enroll by paying the full premium.²¹

The Affordable Care Act (ACA) mandated that pediatric dental benefits be covered as part of the essential health benefits (EHB) for Qualified Health Plans (QHPs) and small business plans through New York’s health insurance marketplace, the *New York State of Health*. New York selected the CHP dental package as the standard dental benefit for the EHB.

Health plans can choose to include (embed) dental in their package with deductibles and out-of-pocket maximums aggregated with all other benefits. However, health plans do not need to offer a dental benefit if a separate (standalone) dental plan is available in the county. If a family chooses a health plan without dental already included, it may—but is not required to—choose a standalone dental plan. Standalone dental plans have separate premiums, co-pays and deductibles.

Through April 2014, the end of the first enrollment period for the *New York State of Health Marketplace*, just 16% of the enrollees were under age 18 and that age group made up only 3% of those enrolled in a QHP. New York's generous eligibility level for CHP means that a greater proportion of children are enrolled in that program compared to other states.²² The total enrollment in standalone dental plans during this period was 51,511. No breakdown is available to show how many were adults and how many were children.²³

Although standalone dental benefits that meet the CHP standards are available on the *New York State of Health Marketplace*, families that already have health insurance through an employer are not able to apply for dental-only coverage. Interviews with Navigators enrolling families in the *New York State of Health Marketplace* report that they regularly receive calls from privately insured parents asking if they can buy dental coverage for their children. They regret having to turn them away (Schuyler Center for Analysis and Advocacy, personal communications, May-July 2014).

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Because of a provision in the 2009 federal Children's Health Insurance Program Reauthorization Act (CHIPRA), New York could allow any family under 400% of the federal poverty level to purchase a CHP dental product if their employer-sponsored health insurance does not cover dental or if the coverage is less than what is provided by CHP.

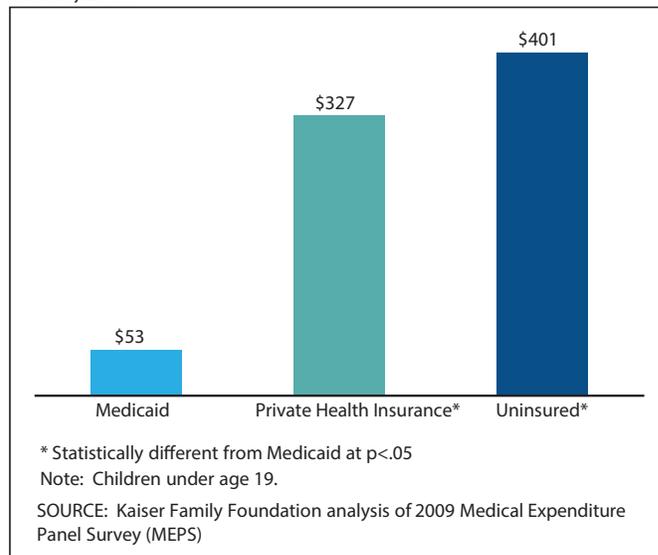
Under this CHIPRA provision, states can provide the benefit for any child meeting two conditions:

- The child is enrolled in employer-sponsored health insurance but does not have or has inadequate dental coverage.
- The child would otherwise qualify for CHP if they did not have employer-sponsored health insurance.

Essentially, this coverage would make an otherwise CHP-eligible child "whole" in terms of benefits that would be available to them under CHP but are not available through their private coverage.²⁴ A family with no dental insurance could purchase the benefit and a family with private dental insurance that was too expensive or did not offer many services could purchase the benefit to enhance their coverage.

The only state to act on this provision of CHIPRA to date is Iowa. Started in 2010, the product employs the same sliding fee scale used for enrollees in Iowa's Child Health Insurance Program. The State Legislature

Dental Out-of-Pocket Spending for Children, by Health Insurance Status, 2009



Kaiser Commission on Medicaid and the Uninsured. (2012). *Children and Oral Health: Assessing Needs, Coverage and Access* (#7681-04). Washington, DC: Kaiser Family Foundation.

approved the dental-only coverage program and the plan was approved by the Centers for Medicare and Medicaid Services (CMS).

Although the supplemental-dental provision was included in the 2009 CHIPRA, there are no federal regulations in place and only several administrative letters to state child health programs to guide implementation. An interested state must be in compliance with other CMS regulations on dental benefits and not have a waiting list for enrollment. States are required to ensure that cost sharing for medical and dental care is less than 5% of the family income. To be approved the state must complete a State Plan Amendment to their child health program.²⁵ The federal match for a dental-only plan is the same as the state receives for the general CHP program.

Recommendation

Currently, the only children in New York without access to affordable dental coverage are those with employer-sponsored health insurance that does not include dental coverage or if offered, dental coverage is unaffordable to the family. Tooth decay is preventable and treatable and affordable dental insurance can save a child the pain of disease when the family can't afford to pay for services out-of-pocket. Ensuring all children have affordable dental coverage will bring New York closer to achieving true universal health coverage for children.

Endnotes

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