

ASK THE MEDICARE SPECIALIST

Question from John: Can you tell me if The Health Insurance Store offers or assists in obtaining individual dental insurance? I thought you mentioned something about dental when I originally came to see you before I turned 65. Maybe I misunderstood, plus it's been four years since then. I'm currently on my wife's employer (FirstEnergy) Delta Dental Plan. We are finding out more dentists and endodontists are dropping out of the network with Delta. My wife and I both were going to switch from her employers' dental benefit and subscribe to an individual plan of our own choosing. I just wanted to double-check with you first before researching further. Service folks get by becoming a client. Can you write a column about that?

Answer (My email response to John): I did mention comprehensive dental being available with Medicare Advantage Plan HMOs and PPOs, which also come with other attractive ancillary benefits. You can pick up valuable extras with Advantage Plans, but you also give up the freedom to use virtually every doctor and hospital in the country and not needing to get prior authorizations for MRIs, CT scans, surgeries, etc. I'm more than happy to review Advantage Plans with you. Many people are making that move as their Supplements are getting more expensive. It's never a bad idea to get a review and re-educated on the differences between Supplements and Advantage Plans, even if it's to just reinforce why you chose to go with a Supplement four years ago.

I had searched for individual dental plans to offer clients for 15 years before I gave up and realized they almost never make sense. 98% of people will pay out more in premiums than they ever get back in claims paid. If it didn't work like that, the insurance companies would all go bankrupt.

In addition, there's just not enough total coverage. Individual dental plans you're inquiring about only provide \$1,000 to \$2,000 per year in benefits and pay just 50% for "major" services like crowns and root canals. Often there's also a waiting period of up to two years before those are even covered. Individual

plans that look like your current employer benefits and pay 100% for preventative services such as cleanings and X-rays, 80% for restorative services like fillings and periodontal, and 50% for major services, can cost \$50 per month or more. So, you're spending \$600 to \$700 annually for maybe \$1,500 in max benefits. You'd have to get at least one crown or root canal every year for that to work out in your favor. If you needed a lot of expensive work like I did three years ago, you would pay most of it out of your own pocket, with either employer or individual coverage. Despite having employer dental insurance, my out-of-pocket cost for braces, an extraction, and the mouthful of crowns I needed was more than \$20,000! My insurance only covered \$3,000 over the two-year period I had the work done.

You're better off negotiating a cash price with your dentist and/or shopping around if you need root canals, crowns, or other extensive and expensive services. Some dentists offer their own preventative and discount plan, but those are basically like doing layaway. You won't get much, if any, value out of that either. I hope this makes sense. Let me know if you have any questions.

Response from John: Thank you for getting back to me so quickly. Yes, I do know that some Medicare Advantage Plans come with dental options, and now remember we discussed that. I'm satisfied with my current Medicare Supplement and set-up. I don't want to change it to get dental benefits.

I am starting to see your point made about purchasing a dental plan. I was doing some research on dental plan costs. I think it would be more to my advantage to self-insure and set aside money each year for dental expenses instead of paying the premiums. As always, thank you so much for the valuable information.

My final response: You're very welcome and I think you're on the right track of self-insuring for dental expenses if you want to stay with a Supplement. I could literally make six figures a year in commissions if we sold dental plans to everyone who inquired about them. But we simply will never sell or offer products we don't 100% believe are necessary or provide value to our clients. Individual dental is not a necessity and rarely provides value.

