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Q3 Healthcare Transparency Index Reveals Wide Cost Variances for Dental Services

Report from Change Healthcare finds women and seniors more likely to visit dentist; frequency of visits declines rapidly after midyear

Nashville, Tenn. – October 17, 2011 – Healthcare costs continue to rise, driving more employers to stop offering dental coverage – resulting in only 57 percent of Americans covered by a dental plan, as compared to more than 85 percent who have medical insurance. In addition, dental plan designs typically vary widely from medical coverage, creating higher out-of-pocket costs for patients and making the market for dental services much more consumer-driven. These cost and economic concerns have combined to create an alarming trend: employees and their dependants are skipping regular visits and neglecting dental care.

With an estimated \$108 billion spent on dental services in 2010 according to the Centers for Disease Control (CDC), [Change Healthcare's](#) latest [Healthcare Transparency Index](#) revealed considerable price disparities and local savings potential for the most common dental services, including adult and pediatric preventive exams with and without x-rays, adult cavity repair, application of braces with pre- and follow-up visits, and wisdom teeth removal with sedation or anesthesia. The Index, compiled from a sub-set of the Change Healthcare client database, which analyzed more than 30,000 in-network claims nationwide over a 12-month period, found that the billed amounts for dental services could vary by more than 400 percent in the same area for the same service.

- **Preventive Dental Exams:** Routine dental exams are the primary way to prevent tooth decay and gum disease. An estimated 75 percent of adults suffer from gum disease, and while tooth decay is the most common and preventable disease in children, a U.S. Department of Health and Human Services study cites that only 48 percent of children entering kindergarten had seen a dentist in the previous year. With cost now a significant barrier to proper care, the Index found that the same preventive exam for adults could cost as much as \$240 and as low as \$55 in the same area, and pediatric exams ranged from \$180 to just \$35.
- **Cavity Fill and Repair:** One of the most common dental corrective procedures, cavity repair offers great savings potential. The Index revealed that patients could be paying up to three times as much per cavity. Claims data indicated that cavity repair at the high-end could cost as much as \$360, making these services unattainable for many – leading to much more expensive long-term health issues.
- **Orthodontics:** Having braces is a fact of life for millions of American children and even adults. However, insurance carriers often offer a fixed amount or maximum benefit allowance for braces application, and in many cases individuals may need braces twice in their lifetime. This Index reported a high cost for orthodontic services (including a pre-visit, braces application and follow-up visit) of \$6,960, compared to a low cost of \$2,400 in the same area.
- **Wisdom Teeth Removal:** Recommended by most dentists as a way to maintain oral health and appearance, removal of wisdom teeth is a generally painful procedure, both physically and

economically. The Index revealed that a patient could save more than \$2,000 by simply switching providers. Many medical plans cover wisdom teeth removal, and as more employers and consumers switch to consumer-driven health plans, cost transparency offers tremendous savings opportunities.

Interestingly, the Index also uncovered other trends regarding dental utilization rates. The data indicated there was a steady decline in dental visits in each quarter, with 38 percent of all services occurring in Q1 and trailing to only 16 percent in Q4. This is in stark contrast to the medical industry, where claims typically increase toward year-end. In addition, women were more likely to receive dental care, averaging 1.31 visits per year versus only 1.11 for men. Seniors aged 60 and above were also the most likely to receive dental care, compared with young adults aged 21 to 30 representing the least likely.

“Unfortunately, dental services are one of the first benefits to be cut when the budget gets tight, creating risk related to a lack of compliance with recommended dental care, including checks for secondary conditions such as mouth cancer,” said Howard McLure, Change Healthcare’s chairman and CEO. “This quarter’s Healthcare Transparency Index demonstrates that patients do have significant cost saving options for common dental services, especially important as the employee’s share of these expenses increases.”

Additional Resources

- Report: <http://www.changehealthcare.com/hcti/index.html>
- Blog: <http://www.trendsparency.net/>
- Tweet this: [Q3 #Healthcare Transparency Index from @askch reveals savings on #dental services](https://twitter.com/askch/status/1011111111111111111)
<http://bit.ly/nLmIK1>

About the Healthcare Transparency Index

Due to rising healthcare costs, employers are increasing deductibles and considering aggressive benefit plan design changes. Employees and their families will be increasingly accountable for “shopping” and paying for their healthcare, making it more critical than ever to understand the costs involved. Currently, consumers of healthcare have no information and no tools to help them make decisions. The Healthcare Transparency Index (HCTI) is the first to provide healthcare consumers with ongoing trends data about actual healthcare costs, offering insight into critical opportunities for savings. The data is sourced from Change Healthcare’s proprietary, HIPAA-compliant database generated from client activity. This quarter’s Healthcare Transparency Index includes data compiled from a sub-set of the company’s database including more than 30,000 dental claims. The report’s pricing and behavioral content is derived from the Change Healthcare Transparency Messenger™. For more information, please call 800-655-0732.

About Change Healthcare

Change Healthcare (www.changehealthcare.com) has set the industry standard for true healthcare cost transparency – a critical component to combating rising healthcare costs and insurance premiums while also reducing out-of-pocket responsibilities for consumers. Built on more than three years of medical claims data, the company’s web-based solution, Transparency Messenger™, provides employees with personalized views of pricing information and proactive alerts that highlight opportunities to save money on routine care and prescriptions in their local area. By enabling informed decision-making prior to selecting and receiving care, Change Healthcare delivers substantial cost savings to both employers

and employees. Change Healthcare works with more than 400 self-insured businesses across the U.S., representing more than 212,000 lives.

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