

United Concordia Dental & PASPA

Dental Presentation

April 10, 2024



Agenda



- **Dental Industry Overview**
- **Dental Terminology**
- **Common Dental Issues**
- **Best Practices**

Dental Industry Overview





The "Business" of Dentistry

- **Small Business, Cottage Industry**

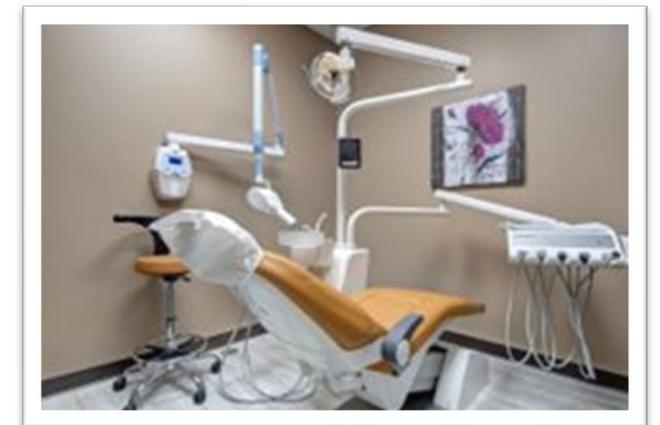
- Dental - 72% - Solo Practices (1.37 dentists per practice)
- Medical - 95.6% - Physicians have one or more health system or group practice affiliation

- **Overhead & Cost Structure**

- Average overhead
 - Dental - 74% to 78%
 - Medical - 60% to 65%
- Average annual "retail" cost of care (per capita)
 - Dental - \$451 per person
 - Medical - \$12,500 per person

- **Fundamentals**

- High production model
- High dependency on durable goods and supplies
- High sterilization protocol and cost
- Lower average cost per procedure



Macro Trends in Dental

ADA Health Policy Institute Data

The COVID/post-COVID period has impacted the dental market as follows:

- The ADA reports there are **202,304 active dentists practicing in the U.S.** as of 2023

- **Labor shortages in dental hygiene and office staff** have restricted capacity

- **Patient volume returned** to pre-Covid levels

- **37% of general dentists** are indicating that they are **'overworked'**

- **Patient appointment wait times have increased** from 5 days to 17 days for a new patient

- Over the last 10 years, **the number of female dentists has increased** from 24.1% to 34.5% and 50%+ of 2019 dental school graduates were female

- **~35% of dentists nationally** are ages 55 and above
- In Pennsylvania, **~55% of dentists** received their license prior to 1996

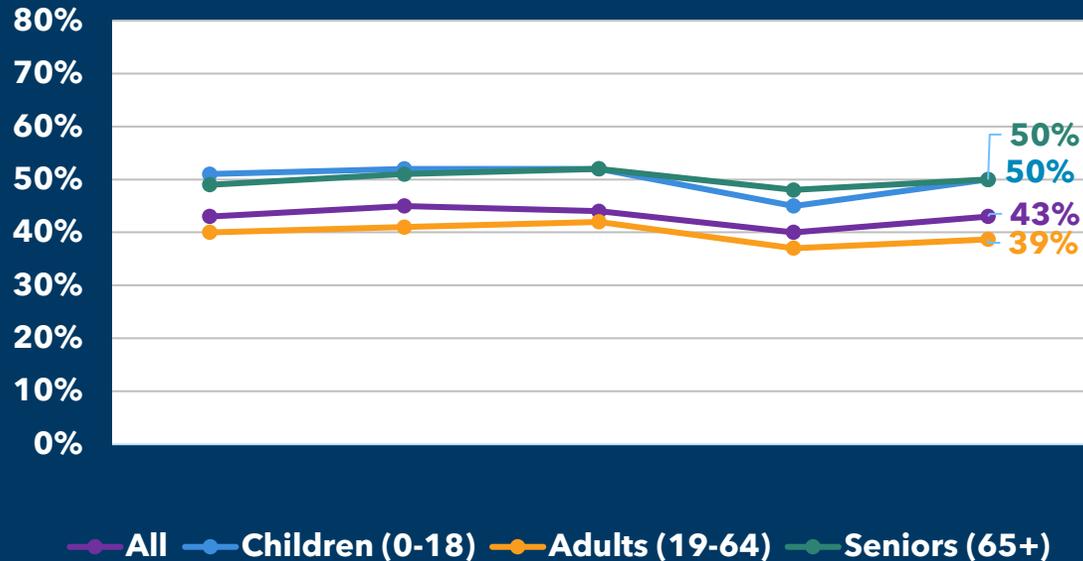
- **Accelerated DSO growth** - 24% of dentists are in a practice with at least 10 locations; Retiring dentists are being replaced with younger dentists joining DSOs right out of school

Source: American Dental Association (ADA) - Health Policy Institute: https://www.ada.org/resources/research/health-policy-institute?gad_source=1&gclid=EAlaQobChMlyb2U0tmrhQMVPFRHAR1DIOBcEAAYASAAEgKF_PD_BwE

Macro Trends in Dental

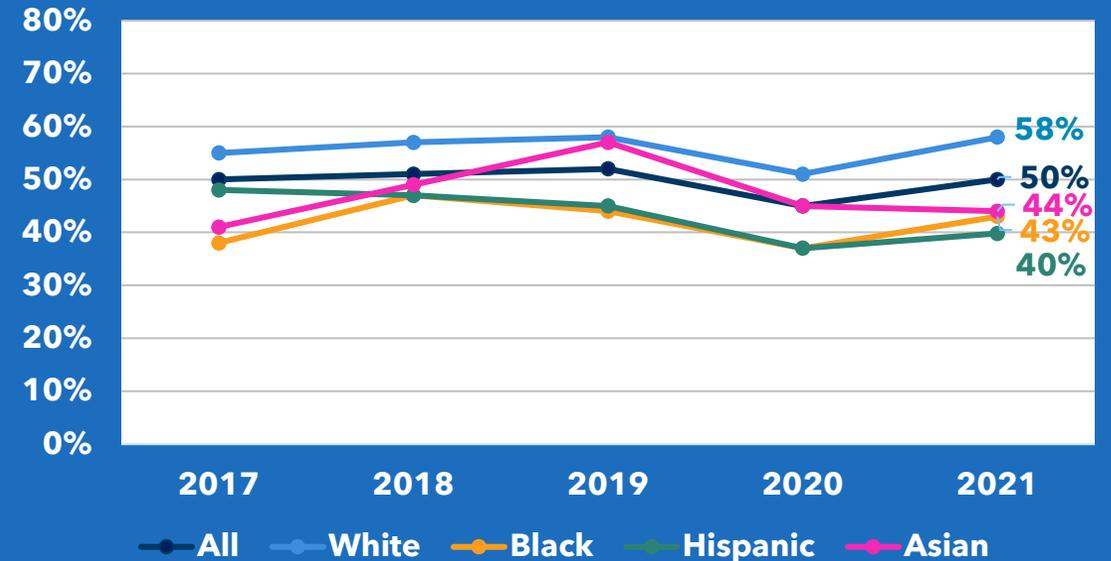
ADA Health Policy Institute Data

% of Population with a Dental Visit in the Past Year



- 50% of Children (aged 0-18) and 50% of Seniors (65+) visited a dentist in 2021
- Only 39% of Adults (aged 19-64) had a dental visit in 2021

% of Children (0-18) with a Dental Visit in the Past Year



- According to the ADA Health Policy Institute - "Hispanic people have the highest level of cost barriers to dental care, however, racial/ethnic disparities in cost barriers to dental care are much narrower among children compared to working-age adults and seniors."
- The percentage of children with no dental insurance decreased to 9% in 2021
- Children with public dental insurance (Medicaid and CHIP) was 38% in 2021, higher than in previous years.

Dental Terminology



Dental Terminology

Diagnostic & Preventive	Basic Dental Services	Major Dental Services	Orthodontics
<ul style="list-style-type: none">• Cleaning (Prophylaxis)• Exam• X-Ray• Sealant• Space Maintainer• Emergency Palliative Treatment 	<ul style="list-style-type: none">• Fillings• Repairs• Oral Surgery• General Anesthesia• Endodontics*• Periodontics* 	<ul style="list-style-type: none">• Crowns, inlays, and onlays• Dentures• Bridges• Endodontics*• Periodontics* 	<ul style="list-style-type: none">• Braces• Retainers 

**can be basic or major, depending on service being provided*

Common Dental Issues



Common Dental Issues

There Are Two Diseases in Dental

CAVITIES

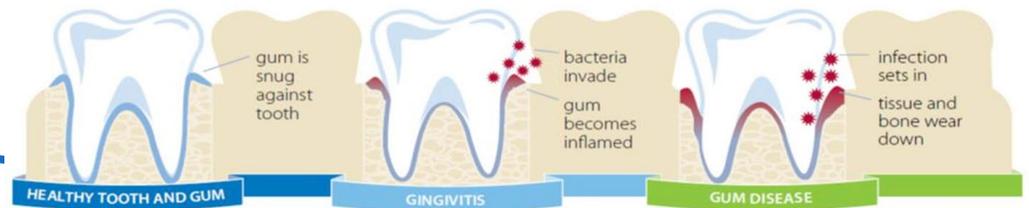
Cavities Are the #1 Chronic Childhood Disease¹

- More than half of Gen Alpha (52%), ages 6 to 8, and Gen Z (57%), ages 12 to 19, have had at least one cavity in their baby or adult teeth, respectively.¹
- High cavity experience in early childhood is the single strongest predictor of cavities experience in adolescence and adulthood.²

GUM DISEASE

Gum Disease Increases As We Age

- Almost half (47.2%) of adults, including Millennials, Gen X and Baby Boomers, 30 years and older, have some form of gum disease.²
- Gum disease is a risk factor for nearly 60 other adverse health conditions, including Alzheimer's disease, diabetes, and heart disease.³



THE IMPACT

On average, **34 million school hours are lost each year** because of unplanned (emergency) dental care, and **over \$45 billion in U.S. productivity is lost annually** due to untreated dental disease.⁴

1. Children's Oral Health; Centers for Disease Control and Prevention, 2022. Retrieved June 2023.
2. Oral Health in America Advances and Challenges; National Institutes of Health, 2021. Retrieved June 2023

3. Muhammad Ashraf Nazir; Prevalence of periodontal disease, its association with systemic diseases and prevention; National Library of Medicine, 2017. Retrieved June 2023
4. The High Cost of Oral Disease; Center for Disease Control and Prevention, 2018. Retrieved July 2023.

Common Dental Issues

Care for Dental Emergencies

When your mouth hurts, relief can't come fast enough. While you should always call your dentist, physician or local emergency room if you have an oral health "9-1-1," here are some short-term fixes for common dental problems if you can't see a medical professional right away:

Fractured / Broken Teeth	How to Temporarily Fix a Lost Crown or Filling	What to do if you've lost a tooth	How to ease the pain of a toothache
<ol style="list-style-type: none">1. Rinse your mouth with warm water to clean the area surrounding the affected tooth.2. Apply a cold compress to reduce swelling.3. Contact a dentist immediately.	<ol style="list-style-type: none">1. Apply a small dab of petroleum jelly inside the crown.2. Place crown back on the tooth to create a temporary seal.3. Avoid using that tooth.4. See your dentist as soon as possible.	<ol style="list-style-type: none">1. Retrieve the tooth if possible; hold it by the top, not the root.2. Rinse the root of the tooth with water. Do NOT scrub it or remove attached tissue.3. If possible, place the tooth back in the socket; If not, place the tooth in a container of milk or water.4. Immediately see your dentist.	<ol style="list-style-type: none">1. Rinse your mouth with warm water.2. Check that food or other objects have not lodged in the area surrounding the affected tooth.3. Consult your dentist for further treatment.



Source: <https://www.unitedconcordia.com/benefits/oral-health-resources/dental-emergencies>

Best Practices



Medical-Dental Integration

Oral Health Matters!

The Oral-Systemic Link



60%

of American adults have at least 1 chronic health condition.¹ Medical conditions are often treated with prescription(s) that contribute to oral health problems.



75%

of American adults will have some form of gum disease in their lifetime.²



\$84 Billion

is lost by U.S. businesses each year due to absenteeism and lowered productivity caused by employee health problems.³

More than 184 million hours are lost to unexpected absences each year.⁴



90%

of systemic diseases can be detected through the mouth and/or have oral health conditions, including heart disease and diabetes.⁵

Routine dental exams can help identify and address problems before they require costly treatment or time out of work.

1. Chronic Diseases in America; Center for Disease Control and Prevention; 2019.

2. Dispelling Myth About Gum Disease; American Academy of Periodontology; 2010

3. \$84B In U.S., Poor Health Tied to Big Losses for All Job Types; Gallup; 2013.

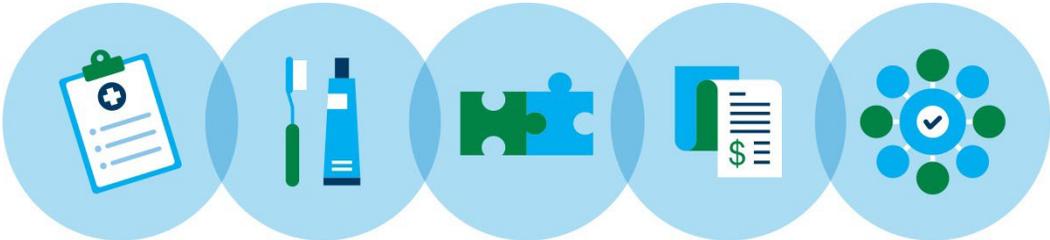
4. Kelekar U, Naavaal S. Hours Lost to Planned and Unplanned Dental Visits Among US Adults. Prev Chronic Dis 2018;15:170225. DOI: <https://doi.org/10.5888/pcd15.170225>. Original data extrapolated out for 12 months.

5. 90% Prevent Oral Health Problems: Visit a Dentist Twice a Year; Academy of General Dentistry; 2012.

Medical-Dental Integration (MDI)

Improving Total Health with Medical-Dental Integration

All aspects of health are connected.



PHYSICAL

ORAL

BEHAVIORAL

FINANCIAL

SOCIAL

Together, they form Total Health.



The mouth is the gateway to the body.

Studies show a connection between periodontal disease and 57 systemic conditions.¹

Integrating medical and dental care is our priority.

At United Concordia Dental, we focus on the connection between oral health and overall wellness — and how it can improve Total Health.



Our people, products, and programs bring MDI to life.

People

With over 50 years of experience, our team is committed to closing the gap between medicine and dentistry. We provide patient education, benefit coordination, and more.

Products

From prevention and wellness-focused products to value-added services that promote Total Health, we're always innovating to better serve our members.

Programs

We offer wellness-centered programs and services that reduce barriers many people face in accessing high-quality, affordable care.

¹ National Institutes of Health. Oral Health in America: Advances and Challenges. Bethesda, MD: US Department of Health and Human Services, National Institutes of Health, National Institute of Dental and Craniofacial Research, 2021, pg. 359.

Products to Support Healthy Behaviors

Smile for Health[®] - Wellness

Enhanced benefits to treat periodontal disease for eligible members who have one of the following health conditions:

- Diabetes
- Cardiovascular disease
- Cerebral vascular disease (including stroke)
- Lupus
- Oral cancer
- Organ transplant
- Rheumatoid arthritis

Additional Services* (per plan year)	Covered Amount
Periodontal Maintenance one additional procedure above your plan's standard limit	100%*
Scaling & Root Planing [†]	
Periodontal Surgery - four procedures [‡]	

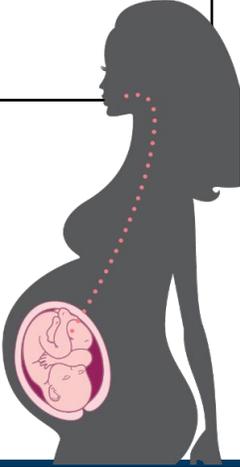
* Standard plan's frequency limitations (how often services are covered), annual maximum (the maximum amount your plan will pay toward services during the plan year), and other details still apply.

Pregnancy Benefit

Enhanced benefits to treat periodontal disease for eligible members who are pregnant.

Additional Services* (per plan year)	Covered Amount
Additional Cleaning	100%*
Periodontal Maintenance - one additional procedure above your plan's standard limit	
Scaling & Root Planing [†]	
Periodontal Surgery - four procedures [‡]	

Available as an optional rider for experience rated and ASO groups, embedded in all small group products.



[†]Also includes CDT code D4346
[‡] Four procedures related to gingival flap or osseous surgeries.



Thank You