

Ensuring Value for Patients in Dental Insurance



Patient dollars should be spent on patient care, not on the profits of big dental insurance companies and their executives. North Dakota should ensure patients get the value they deserve for the dental insurance premiums they pay.

Patient Concerns

For too long, multibillion-dollar dental insurance companies have taken advantage of the lack of accountability for how patient premium dollars are used.

The limited available data indicates that around 40% of dental premium dollars are used by insurance companies to cover administrative costs, profits and executive compensation, instead of being directed toward patient care.

Medical Loss Ratio, or MLR, is the portion of insurance premiums that is spent on patient care, rather than insurer overhead costs. All states have laws requiring medical insurance to maintain a minimum MLR, but very few have a similar standard for dental insurance plans.

Solution

Patient dollars should go to patient care.

The North Dakota Dental Association is advocating for legislation requiring that at least 83% of dental insurance premiums be spent on patient care. If insurers fail to meet this standard, they would be required to refund the difference to covered individuals and groups, which is a similar requirement for many major medical plans.

Requiring a higher portion of premium dollars to be spent on patient care can help reduce out-of-pocket costs for patients, making dental care more affordable and encouraging people to go to the dentist.

This policy is popular across the political spectrum: In 2022, 72% of Massachusetts voters approved a similar bill at the ballot box.

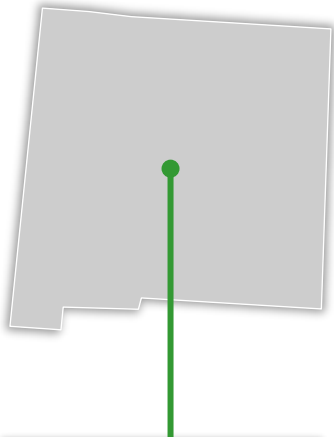
What Are the Benefits of Medical Loss Ratio (MLR) Laws?

- Patients and employers who pay insurance premiums are guaranteed a good value for their money.
- Dental insurers cannot simply raise premiums without investing the new money in patient benefits.
- Rebate requirements incentivize insurers to meet the threshold and return money to patients and employers if they are overcharged for their premiums.

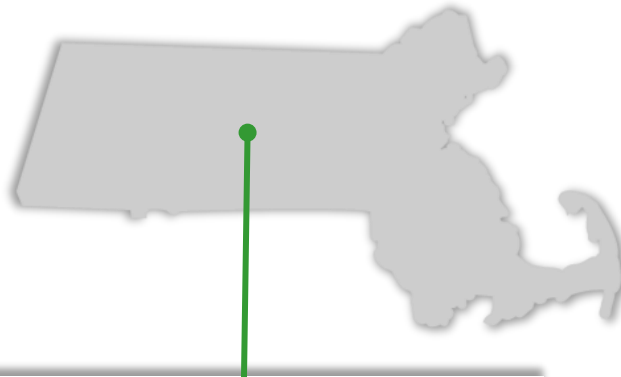
To learn more about medical loss ratio legislation in North Dakota, please contact the North Dakota Dental Association at 701-223-8870 or William Sherwin at wsherwin@smilenorthdakota.org.



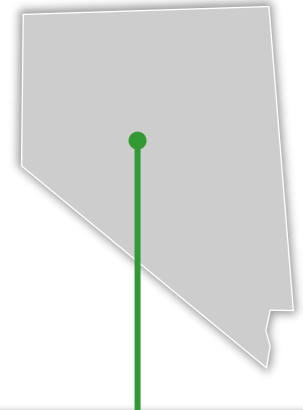
Medical Loss Ratio Legislation is Gaining Momentum



New Mexico: 2022
Dental insurers' plans & coverage must be rejected as unreasonable if they do not meet 65% MLR.



In 2022, **72% of Massachusetts** voters passed **Question 2**, requiring dental insurers to spend at least 83% of premiums on patient care – or refund consumers. Question 2 received more votes than any party's nominee for governor, demonstrating broad bipartisan support.



Nevada: 2023
Dental plans are prohibited from selling at an "excessive rate" with MLR under 75%. Commissioner may order insurers to compensate insured affected by excessive rates.

"Adding a requirement for a medical loss ratio for dental insurance would help promote price transparency and provide incentives to reduce administrative waste. This would help reduce costs for patients."

Consumer Choice Center,
[Policy Note: Dental Insurance Reform](#)

"It doesn't take much to see how poorly dental insurers are serving people under the current system. More than half of Americans delay getting medical care — or avoid it altogether — because of burdensome costs, and the most frequently skipped form of care is dental ... This needs to change, and passing [Question 2] is the first step."

Boston Globe,
[Vote Yes on Question 2](#)

Note: Several other states have passed laws requiring dental insurers to report their medical loss ratios. While these laws are a step in the right direction, dental patients need and deserve laws that set a minimum standard for dental MLR.

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