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Adding a Dental Benefit to Medicare Part B: What About Medicare Advantage or Medigap Plans?

Today, Medicare excludes coverage of routine preventive and restorative oral health care except in limited circumstances. As a result, only half of Medicare enrollees saw a dental provider in the last year, and millions of enrollees cannot afford the care they need to stay healthy.

Adding oral health coverage in the Medicare Part B benefit would be the most inclusive and equitable approach for incorporating a dental benefit in Medicare. Recognizing that oral health is integral to overall health, adding oral health coverage into Part B integrates oral health with the delivery of other health benefits, including preventive services. Using Part B's coverage criteria, payment structure, rate setting, appeals, and low-income beneficiary protections that are already in place also minimizes administrative complexity and makes the benefit easier to navigate.

We often get asked why simply offering oral health coverage through Medicare Advantage plans or Medigap plans is not the solution to meet these needs. This fact sheet explains that there are numerous limitations of Medicare Advantage and Medigap plans that would prevent these health plans from providing comprehensive oral health coverage to all Medicare enrollees. This fact sheet builds upon our previous fact sheet, Adding a Dental Benefit to Medicare Part B: Frequently Asked Questions.

Medicare Advantage Plans Are Not the Right Coverage Choice for Everyone

Medicare Advantage plans are private plans that Medicare enrollees have the option to join. Unlike original Medicare, which allows enrollees to see any Medicare provider, individuals who enroll in a Medicare Advantage plan can only use providers contracted with the health plan. Today, 24.1 million individuals—or about 39% of all Medicare enrollees—have made the choice to join Medicare Advantage plans.[1] The majority of Medicare enrollees—61% or 38 million Medicare enrollees—have chosen Original Medicare and would not benefit from oral health coverage in Medicare Advantage.

If, as now is the case, a dental benefit were only available through Medicare Advantage, that majority would not benefit from oral health coverage. Medicare enrollees should not be forced to make a choice between the restrictions of Medicare Advantage and access to an important basic benefit like dental. This is of particular concern because research has suggested that Medicare Advantage does not equally meet the needs of all Medicare enrollees. Medicare enrollees with high health care needs—those who would most benefit from good oral health—are more likely to disenroll from Medicare Advantage plans than Medicare enrollees with lower health care needs.[2]

Not All Medicare Advantage Plans Offer Oral Health Coverage

Currently, Medicare Advantage plans provide oral health coverage only as a supplemental benefit to fewer than one in five Medicare enrollees (approximately 18%). This is because 40% of individuals enrolled in Medicare Advantage plans are in plans that offer no oral health coverage at all.[3] Accordingly, of the approximately 60 million people enrolled in Medicare today, only 10.2 million have any level of oral health coverage through Medicare Advantage plans.[4]

If oral health is added to Medicare Part B, all Medicare enrollees would have oral health coverage, including those who rely on Medicare Advantage plans and the 61% of Medicare enrollees in Original Medicare.

Medicare Advantage Coverage is Not Free or Comprehensive

The oral health coverage currently available through some Medicare Advantage plans is often limited. About 19% of Medicare Advantage plan enrollees have preventive-only oral health coverage, and only 42% have access to more extensive coverage such as root canals, crowns, dentures, and periodontal treatment.[5] Nearly half (43%) of Medicare Advantage plans, like many private dental plans, place an annual cap on the amount the plan will pay for services. These annual caps typically are in the range of $1,000 to $1,500. Also similar to private plans, many Medicare Advantage plans limit the frequency with which the plan will pay for a service. For example, it is common for plans to only cover one cleaning per year and limit periodontal treatment to once every three years.[6]

In addition to annual caps, Medicare Advantage plans also charge out-of-pocket costs for oral health coverage in the form of premiums, co-pays, and co-insurance. There is enormous variation in cost-sharing across plans. Premiums, co-pays, and co-insurance are typically low in plans that offer preventive and much higher in plans that offer more extensive coverage. For example, it is common for a Medicare Advantage plan that offers more extensive dental coverage and free preventive services to charge members an additional monthly premium for oral health care and 60% to 80% co-insurance for costly services like root canals.

If oral health were added to Medicare Part B, the current patchwork of Medicare Advantage coverage would be replaced by a requirement that all Medicare Advantage plans offer comprehensive oral health benefits to their members, and cost sharing requirements would become more standardized and more affordable. Further, all Medicare enrollees in Original Medicare would also get the same benefit.

Oral Health Coverage in Medicare Advantage Increases Complexity

Medicare enrollees currently face a complex set of choices. They are required to choose a prescription drug plan that ensures retaining access to their drugs. If they decide to enroll in a Medicare Advantage plan, they have to choose a plan that ensures access to their health care providers and their prescription drugs while also comparing costs and coverage limitations. The average Medicare enrollee has access to 33 Medicare Advantage plans, each with unique benefit packages.[7] Enrollee decisions about what plan to choose are even further complicated by plans' ability to advertise and market their offerings. In fact, intense marketing has been shown to undermine rational decision-making about benefit offerings.[8] Oral health coverage in Medicare Advantage presents another layer of complexity to consider in making these already difficult decisions. Adding an oral health benefit to Part B is the only way to ensure that enrollees know that there is a

basic set of oral health benefits that they can access regardless of whether they choose Medicare Advantage and regardless of the particular Medicare Advantage plan they might decide to join.

What About Medigap Plans

Medigap plans are private supplemental plans that help cover Medicare out-of-pocket expenses such as deductibles, co-insurance, and copays for services available under Medicare Part A and Medicare Part B. Medigap plans do not include oral health coverage. Accordingly, Medigap plans only help to cover out-of-pocket costs for the limited emergency dental services that Medicare Part A covers during a hospitalization. Approximately 28% of Medicare enrollees have purchased commercially available Medigap plans.[9]

Some Medigap plan sponsors offer dental coverage through separate plans that are not part of Medigap. They are limited in scope of services covered and have deductibles and benefit caps. CMS does not regulate these plans and enrollees do not have access to the Medicare appeals process if denied services.

Shoehorning a dental benefit into Medigap coverage would be inconsistent with Medigap's role as a secondary insurer serving a limited market. It would further confuse and complicate the already complicated Medicare landscape. Further, Medigap premiums are often unaffordable for Medicare enrollees of modest means. Medigap plan enrollment is also significantly less among Black and Hispanic Medicare enrollees. Just 3-4% of Black and Hispanic Medicare enrollees are enrolled in a Medigap plan compared to 17% of white Medicare enrollees.[10] And in many states, Medigap plans are not required to sell policies to individuals who qualify for Medicare on the basis of disability.[11] Using Medigap as a vehicle for dental coverage would therefore exclude many of those who most need oral health coverage.

Additional Resources

- Adding a Dental Benefit to Medicare Part B: Frequently Asked Questions
- Justice in Aging, Oral Health Advocacy
- Center for Medicare Advocacy, Dental/Oral Health Resources
- Families USA, Oral Health For All

Endnotes

1 Kaiser Family Foundation, "A Dozen Facts About Medicare Advantage in 2020," (Jan. 2021), available at https://www.kff.org/medicare/issue-brief/a-dozen-facts-about-medicare-advantage-in-2020/.

2 Meyers, D.J., et al., "Analysis of Drivers of Disenrollment and Plan Switching Among Medicare Advantage Beneficiaries," (Feb. 2019), JAMA Internal Medicine, available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6450306/.

3 Kaiser Family Foundation, "Drilling Down on Dental Coverage and Costs for Medicare Beneficiaries," (Mar. 2019), available at https://www.kff.org/medicare/issue-brief/drilling-down-on-dental-coverage-and-costs-for-medicare-beneficiaries/.

4 Id.

5 Id.

6 Id.

7 Kaiser Family Foundation, "Medicare Advantage 2021 Spotlight: First Look," (Oct. 2020), available at https://www.kff.org/medicare/issue-brief/medicare-advantage-2021-spotlight-first-look/

8 Id.

9 Kaiser Family Foundation, "Profile of Medicare Beneficiaries by Race and Ethnicity: A Chartpack," (Mar. 2016), available at https://www.kff.org/report-section/profile-of-medicare-beneficiaries-by-race-and-ethnicity-chartpack/

10 Id.

11 Kaiser Family Foundation, "Medicare's Role for People Under Age 65 with Disabilities," (Aug. 2016), available at https://www.kff.org/medicare/issue-brief/medicares-role-for-people-under-age-65-with-disabilities/.