

Dental Insurance Policy Benefits

June 2015

Many of our patients have dental insurance to help them spread the cost of treatment.

People often ask us which policy is best for them. To help you choose, we've prepared a table (see separate sheet) comparing the benefits on offer with each insurer and two worked examples (see next page) showing how you might benefit from this type of policy. A few points to note that apply equally to all the policies:

1. None of the insurers will pay for purely cosmetic procedures like tooth whitening;
2. None of the insurers will pay for treatments you already need *before* taking out a policy;
3. None of the insurers will reimburse any treatment costs unless you have receipts to show you've paid in full;
4. The worked examples shown are based on just two real scenarios and are shown for illustration only. There are thousands of other possible permutations that would give differing outcomes. There is no way to know in advance which policy will ultimately provide the greatest benefit because this depends on imponderables such as: (i) how much and what kind of treatment you will need over the coming years and (ii) how the insurers each decide to vary their benefits over time (which they certainly always have done in the past).

All the policies differ so it's worth studying the accompanying table and footnotes, which compare the core benefits.

Perhaps the most important difference is that some policies are *much more generous* when you need *more treatment*.

So, for example, the AXA PPP policy is the most popular policy* among our patients probably because it has the cheapest monthly cost and is the *most generous* where you need more dental work (see the example of "Patient B", over the page). It may be less good value for money when you need little or no treatment apart from "routine" care (like check-ups, x-rays and hygienist appointments): see the example of "Patient A", over the page. The second most popular policy* is with Simplyhealth. This, like the AXA policy, is of greater value when you need more treatment.

To date, no-one has taken out a Dencover policy*. Only one person has taken out a BUPA policy*. We don't know for certain why this is; but it is true that while these policies appear good value in years when only routine care (or just a little "restorative" treatment) is required, they quickly become far less good value when more treatment is necessary, so the choice is really a gamble on how much treatment you'll need in future. While the Dencover and BUPA policies may pay out proportionately more in years when little active treatment is needed, the benefits are more limited if a greater amount of treatment is required and this can quickly eliminate any saving that is made in the "cheaper" years:

In example A the BUPA patient is **£19.16 better off** than the AXA patient. However, in example B, the AXA patient is **£245.84 better off** than the BUPA patient. So in order to be better off with BUPA overall, this patient would need to have little treatment for 13 out of every 14 years. That's possible but, in our experience, not very likely.

Another point worth considering: insurance is generally *worthwhile for most people*. Just one year of greater treatment need can save you £820 or more compared with a "pay-as-you-go" approach – see "Patient B" over the page.

CONCLUSIONS: If you want the peace of mind of greater cover in the event that you need more "restorative" treatment (fillings, crowns, etc.), it's the AXA PPP or Simplyhealth policies that give the greatest potential benefits. Plus, it's likely that many people will be better off *overall* with one of these policies.

If you need more information, please call on **01803 866166** or alternatively you can visit the "prices" page on our website – www.hygeia.co.uk – for links to the insurers' websites (see "dental insurance" in the right-hand margin).

*NB: We would like to stress that the popularity of each policy is NOT the result of our recommending one policy in preference to another. This is simply something we have observed.

NB#2: Figures correct as at 12th June 2015. These are subject to change at any time and you should check before taking out a policy.

Patient A

Patient A needs mostly routine treatment:	2 check-ups @ £49.50	£99.00
	2 hygienist appointments @ £54	£108.00
	1 medium filling @ £160	<u>£160.00</u>
	Total cost:	£367.00

	AXA PPP (Premium)	Simplyhealth (Level 4)	Dencover (Diamond)	BUPA (Dental Cover 20)
Typical monthly cost of cover	£19.95	£25.40	£21.99	£23.77
Annual cost of cover	£239.40	£304.80	£263.88	£285.24
Total cost of treatment	£367.00	£367.00	£367.00	£367.00
Less amounts reimbursed by insurer:				
Toward check-ups	£99.00	£99.00	£99.00	£99.00
Toward hygienist visits	£26.00	£81.00	£86.40	£51.00
Toward filling	£80.00	£80.00	£88.00	£120.00
Net cost of treatment	£162.00	£107.00	£93.60	£97.00
Total cost for the year (Cost of cover PLUS net cost of treatment)	£401.40	£411.80	£357.48	£382.24
Saving compared to "Pay-as-you-go"	-£34.40*	-£44.80*	£9.52	-£15.24*
Rank	3	4	1	2

*Minus figures indicate that there is no saving – it costs more than paying as you go

Patient B

Patient B has greater treatment needs:	2 check-ups @ £49.50	£99.00
	1 x-ray @ £10	£10.00
	2 hygienist appointments @ £54	£108.00
	1 root canal treatment @ £550	£550.00
	2 medium fillings @ £160	£320.00
	2 porcelain crowns @ £590	<u>£1,180.00</u>
	Total cost:	£2,267.00

	AXA PPP (Premium)	Simplyhealth (Level 4)	Dencover (Diamond)	BUPA (Dental Cover 20)
Monthly cost of cover	£19.95	£25.40	£21.99	£23.77
Annual cost of cover	£239.40	£304.80	£263.88	£285.24
Total cost of treatment	£2,267.00	£2,267.00	£2,267.00	£2,267.00
Less amounts reimbursed by insurer:				
Toward check-ups & x-rays	£109.00	£109.00	£109.00	£109.00
Toward hygienist visits	£16.00	£81.00	£86.40	£41.00
Toward fillings	£160.00	£160.00	£176.00	£240.00
Toward root canal treatment	£275.00	£240.00	£0	£412.50
Toward crowns	£500.00	£400.00	£410.00	£57.50
Net cost of treatment	£1,207.00	£1,277.00	£1,485.60	£1,407.00
Total cost for the year (Cost of cover PLUS net cost of treatment)	£1,446.40	£1,581.80	£1,749.48	£1,692.24
Saving compared to "Pay-as-you-go"	£820.60	£685.20	£517.52	£574.76
Rank	1	2	4	3