



Simple Self-funded Dental Plan Proposal for:
Sample Company

Effective Date: 1/1/2012
 Number of Employees: 1,000



Presented by: Simple
Proposal date: 11/8/2011

Premium Dental Plan Design:

- \$1,500 Annual Maximum per Person
- Orthodontic Benefits are Covered for Children and Adults with No Lifetime Maximum
- PPO Network
- Assignment of Benefits
- 90th Percentile UCR

Plan Pays:

- 100% of the first \$200 of any expense – not just preventive
- 50% of the next \$2,600, up to the annual maximum of \$1,500

Monthly Plan Costs: \$

Coverage Level	Commission & Administrative Fees*	+ Expected Claims	= Total Costs
Employee Only	\$x	\$x	\$x
Employee + 1	\$x	\$x	\$x
Employee + Spouse	\$x	\$x	\$x
Employee + Children	\$x	\$x	\$x
Employee + Family	\$x	\$x	\$x

*Administrative fees include broker compensation.

Plan Features:

- All procedures except cosmetic are covered.
- No frequency of care or age limits on procedures
- Covers the dentists' normal fees
- Plan pays for procedure done – not a procedure which costs less
- No waiting periods before ortho or restorative procedures are covered

- Patient can use any dentist

Options:

- Deductibles or office co-pays – reduce claim costs by 5% to 6%
- Insurance to cap claim costs per month and per year
- Dual option plans – employees pick the plan that fits them the best
- UCR schedules – limit the fees per procedure that are allowed by the plan
 - 90th – saves 2.2%
 - 80th – saves 4.3%
 - 70th – saves 6.2%
 - 60th – saves 8.3%
 - The percentile represents the median fee being charged in a given area. 50th percentile is the midpoint of all fees for each procedure.
- PPO network – will reduce claims by 6% to 10% depending on utilization of PPO dentists by patients. Added costs of \$.95/month/employee. Expected savings of \$3.00 to \$4.00/month/employee.
- Include vision care expenses – can be covered by the dental plan. Increases costs by 20%. Eliminates the need for a separate vision plan.