

JUNE 2012

## Oral Health and Medicare Beneficiaries: Coverage, Out-of-Pocket Spending, and Unmet Need

Oral health care is important to people of all ages, including seniors and younger adults with permanent disabilities who are covered by Medicare.<sup>1</sup> Although oral health is often overlooked, it is closely correlated with overall health and well-being, and the absence of appropriate oral health care can lead to significant medical complications and health risks. Some oral problems, such as loss of natural teeth or ill-fitting dentures, can cause individuals to have difficulty speaking, chewing, or swallowing that can evolve into other serious health problems (e.g., nutritional deficiencies), exacerbate existing conditions, or complicate treatment of other conditions (e.g., by making it difficult for patients to take oral medications).<sup>2,3</sup> Other oral health conditions, such as dental caries or periodontal (gum) disease, can lead to infections, chronic pain, and loss of teeth.

Medicare does not include coverage for routine dental care, though it does cover a very limited subset of “medically necessary” dental services. Some Medicare beneficiaries have access to dental coverage through other sources, such as Medicaid or private plans, although the scope of coverage varies. Still, many Medicare beneficiaries have no dental coverage at all. Without dental coverage, Medicare beneficiaries either pay for dental services out-of-pocket, which can be quite costly, or, if dental care is unaffordable, go without needed care, which in turn can lead to significant complications that often require emergency care.<sup>4,5</sup>

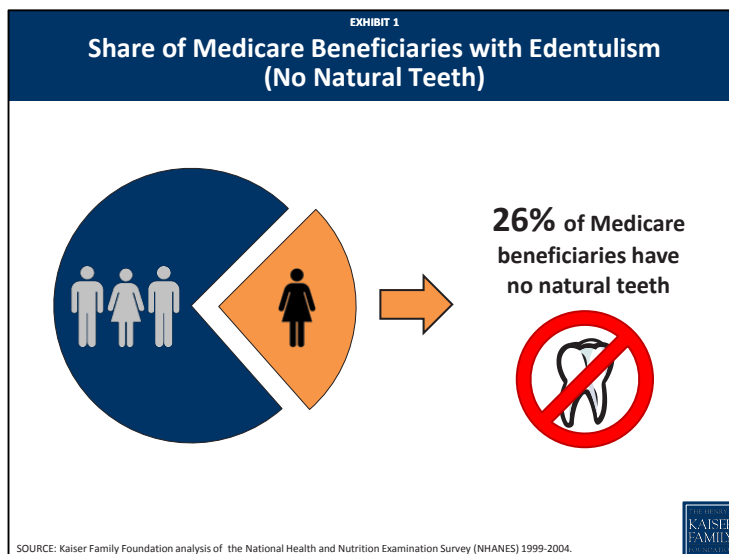
This brief describes the oral health of Medicare beneficiaries, examines sources of dental coverage for the Medicare population, and examines utilization of dental services, out-of-pocket spending on dental care and access problems. This analysis uses data from the National Health and Nutrition Examination Survey (NHANES), the Medicare Current Beneficiary Survey Cost and Use file (MCBS), the National Health Interview Survey (NHIS), and the Kaiser Family Foundation Survey of Health Care Among Nonelderly People with Disabilities and Seniors on Medicare, 2008.

### One in four Medicare beneficiaries has no natural teeth.

One in four Medicare beneficiaries has edentulism—meaning they lack all of their natural teeth (**Exhibit 1**). Edentulism can often lead to other health issues, such as nutritional deficiencies, difficulty chewing or swallowing, and problems with speech.<sup>2</sup>

The share of Medicare beneficiaries lacking any natural teeth rises with age, and is a particular concern among beneficiaries with low incomes. Edentulism rates rise from 23 percent among those ages 65 to 74, to 38 percent among beneficiaries ages 85 and older. More than one in three Medicare beneficiaries (35%) with incomes below the federal poverty level do not have natural teeth, nearly four times the rate among beneficiaries with incomes over 400 percent of the federal poverty level (9%).\*

Additionally, low-income beneficiaries have higher rates of untreated caries (tooth decay or cavities) and periodontal disease than higher-income beneficiaries. Dental caries are the most common oral disease; 17 percent of Medicare beneficiaries had untreated dental caries; however, the rate is more than 2 times higher for those with incomes below the poverty level than those with incomes above 400 percent of poverty (25% and 11%, respectively).<sup>6</sup> Untreated caries are more common among Medicare beneficiaries under age 65 with permanent



\* In 2012, the federal poverty level is \$11,170/individual and \$15,130/couple (400% of poverty is \$44,680/individual and \$60,520/couple).

disabilities than those ages 65 and older (35% and 14%, respectively). Dental caries are also more common among black (31%) and Hispanic (24%) beneficiaries than among white Medicare beneficiaries (15%).

Similar patterns occur for periodontal disease. Rates of periodontal disease are higher among beneficiaries below the poverty level (29%) than among beneficiaries with incomes above 400 percent of poverty (13%), and more common among the under-65 disabled on Medicare (29%) than among those ages 65 and older (16%). Periodontal disease is also more common among black (31%) and Hispanic (31%) Medicare beneficiaries than among white (15%) beneficiaries.

### Medicare does not provide dental coverage, but some beneficiaries have dental coverage from other sources.

Since its establishment in 1965, Medicare has not included coverage for routine dental care, nor does Medicare cover any preventive dental services (such as exams or cleanings) or restorative dental procedures (such as fillings, crowns, or dentures) (**Exhibit 2**). Currently, Medicare covers only dental services that are an essential part of a covered procedure, extractions done in preparation for radiation treatment for cancers of the jaw, and, in some cases, oral examinations but not treatment preceding kidney transplantation or heart valve replacement.<sup>7</sup>

People with dental insurance are more likely than those without it to use routine, preventive dental care that is critical for maintaining oral health.<sup>2</sup> Some Medicare

beneficiaries have access to dental coverage through other sources, such as employer-sponsored retiree health plans, Medicare Advantage plans, Medicaid, or individually-purchased dental plans. However, even when covered, the scope of dental benefits varies widely across plans.

For example, in 2010, over half (55%) of all Medicare Advantage plans offered nationwide covered some dental care, which typically included a specified number of exams, cleanings, or x-rays per year, but not restorative dental services, such as fillings, crowns, or dentures.<sup>8</sup> Medicare beneficiaries with employer-sponsored supplemental coverage are sometimes offered dental coverage; large employers with Preferred Provider Organization (PPO) plans typically cover dental care, which usually covers some costs for preventive and restorative dental services.<sup>9</sup> Medigap policies, purchased by roughly one in five Medicare beneficiaries, do not cover dental benefits.

Medicaid is an important source of dental coverage for the low-income elderly and disabled people on Medicare (known as “dual eligibles”) who would otherwise have great difficulty paying for dental care on their own. Although federal law requires Medicaid to provide dental benefits for children, state Medicaid programs are not required to cover dental benefits for *adults*. Today, most state Medicaid programs include some coverage for adult dental care, but three states (Alabama, Delaware, and Tennessee) do not. Dental coverage for adults varies widely across states: about half of all states provide only emergency dental care or pain relief, but not routine dental care; most states help pay for dentures, but 18 states do not.

In response to recent budget pressures, several states have cut back on dental coverage, or plan to reduce dental benefits in 2012.<sup>10</sup> Among optional benefits provided by state Medicaid programs, adult dental care is often among the first to be dropped or scaled back due to budgetary pressure.

Some beneficiaries purchase private dental insurance policies to help cover expenses, although current estimates for the number of Medicare beneficiaries with private dental insurance are not available. Improved data are needed to accurately assess the share of all Medicare beneficiaries with dental coverage, and the scope of coverage that is provided.

EXHIBIT 2

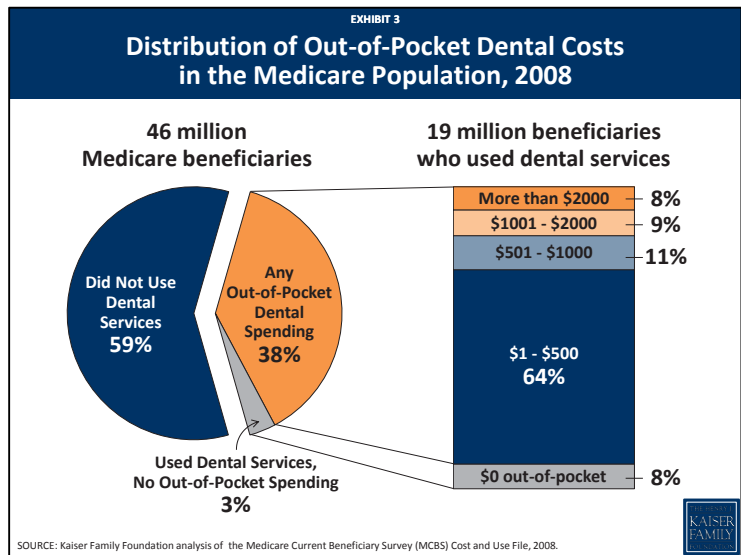
### Dental Services that Medicare Does and Does Not Cover

| Medicare Does <u>Not</u> Cover:   | Medicare Does Cover:   |
|---|--|
| <ul style="list-style-type: none"> <li>✗ <b>Routine Dental Care</b> <ul style="list-style-type: none"> <li>✗ Oral exams, checkups, and screenings</li> <li>✗ Dental cleanings</li> </ul> </li> <li>✗ <b>Restorative Dental Services</b> <ul style="list-style-type: none"> <li>✗ Fillings</li> <li>✗ Crowns</li> <li>✗ Bridges</li> <li>✗ Root canals</li> </ul> </li> <li>✗ <b>Dentures</b></li> <li>✗ <b>Tooth extractions</b></li> </ul> | <ul style="list-style-type: none"> <li>✓ Dental services that are an essential part of a covered procedure (e.g., as part of surgery to treat fractures of the jaw or face)</li> <li>✓ Extractions done in preparation for radiation treatment for cancers of the jaw</li> <li>✓ In some cases, oral examinations but not treatment preceding kidney transplantation or heart valve replacement</li> </ul> |

**On average, Medicare beneficiaries who used dental services spent \$672 out-of-pocket for dental care in 2008.**

About four in ten (41%) Medicare beneficiaries used dental services in 2008. Nearly all of these beneficiaries paid for some of their dental costs out-of-pocket; only a small fraction (3%) of beneficiaries used dental services without incurring any out-of-pocket expenses (Exhibit 3).

Medicare beneficiaries who used any dental services in 2008 spent on average \$672 out-of-pocket for dental care. This is an average across all beneficiaries using dental services, including those with and without dental coverage. Spending on dental services, as with other health care services, is highly skewed. Half of all beneficiaries who used dental services spent \$203 or less in that year. However, some beneficiaries spent considerably more: 27 percent of Medicare beneficiaries who used dental services spent more than \$500 out-of-pocket, and 16 percent of dental users spent more than \$1,000 out-of-pocket.<sup>†</sup> The out-of-pocket costs for dental care can be a significant concern for Medicare beneficiaries, since half of all beneficiaries have annual incomes of less than \$22,000.<sup>11</sup>

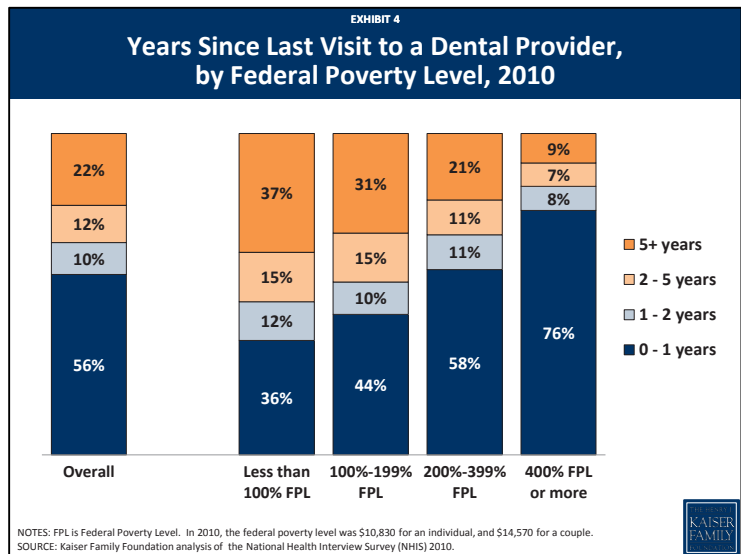


**In 2010, one in five Medicare beneficiaries had not visited a dental provider in the prior five years; among lower-income beneficiaries, one in three had not visited a dental provider in five years.**

The U.S. Preventive Services Task Force recommends regular visits to a dental care provider; this recommendation is supported by the American Dental Association (ADA).<sup>12</sup>

In 2010, 34 percent of Medicare beneficiaries had not seen a dental provider in the last two years; 22 percent of beneficiaries had not seen a dental provider in the last five years (Exhibit 4).

Among beneficiaries with low incomes, an even larger share have not visited a dental provider in the last five years. In 2010, more than half of beneficiaries below the federal poverty level had not seen a dental provider in more than two years, and more than a third had not seen a dental provider in more than five years.

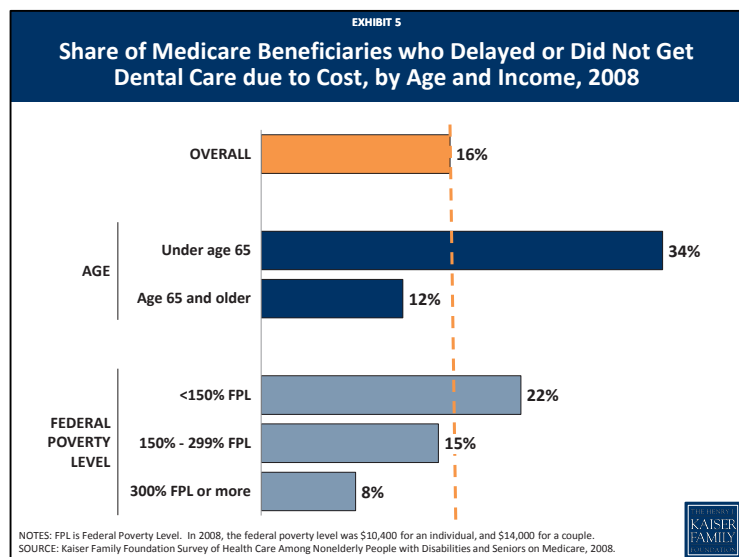


<sup>†</sup> Numbers do not sum due to rounding.

The lack of routine dental care and oral exams has significant health and financial implications for Medicare beneficiaries and the Medicare program. Medicare beneficiaries in nursing homes or other long-term care institutions are at increased risk for oral diseases, but often have limited access to routine dental care.<sup>2</sup> Without regular dental care, many adults in institutions or living in the community turn to hospital emergency rooms for preventable dental problems. Furthermore, patients often “return to hospitals because the treatment they received only addressed pain or other symptoms—not the underlying oral health issue.”<sup>5</sup> In addition, the elderly make up the majority of the diagnosed cases of oral and pharyngeal cancers, and without regular visits to a dental provider, these cancers are often diagnosed later, resulting in poor prognosis.<sup>1,2,13,14</sup>

### A larger share of beneficiaries under age 65 and lower-income beneficiaries delayed or did not get dental care due to cost concerns in 2008, compared to other beneficiaries.

About one in three (34%) Medicare beneficiaries under age 65 (those who qualify for Medicare because of a permanent disability) delayed or did not get dental care due to cost in 2008, according to a 2008 Kaiser Family Foundation Survey (**Exhibit 5**).<sup>15</sup> In contrast, 12 percent of Medicare beneficiaries over age 65 reported doing the same. A higher share of beneficiaries with lower incomes experienced financial barriers to dental care than beneficiaries with higher incomes. More than one in five beneficiaries with incomes less than 150 percent of the federal poverty level (22%) reported delaying or not getting dental care due to cost, compared to only 8 percent of beneficiaries with incomes over 300 percent of the federal poverty level.



Beneficiaries under age 65 often have problems finding a dentist and paying for dental services. In 2008, 23 percent of beneficiaries under age 65 had problems finding a dentist who would see them, and 30 percent of beneficiaries had problems paying for dental services.

### Discussion

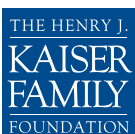
Oral health is an important component of overall health in the Medicare population. Many Medicare beneficiaries have dental problems, such as untreated caries, periodontal disease, or edentulism that often lead to more serious health problems. Medicare does not cover most dental services, and many beneficiaries do not have dental coverage to offset the costs of dental care. For beneficiaries with low incomes, Medicaid is an important source of dental coverage; yet coverage for adults is not required and varies widely across states. Three state Medicaid programs do not cover dental services at all for this low-income population, and 18 states do not cover any cost of dentures. In response to budget pressures, several states have cut back on the scope of dental benefits.<sup>10</sup> Without adequate coverage, out-of-pocket costs for dental care can be a significant deterrent to routine care for some beneficiaries, particularly those with limited incomes. Over the years, policymakers have considered proposals to add dental coverage to Medicare, though such efforts have yet to be successful, and would be expected to increase total Medicare spending.<sup>16</sup> Given the significance of risks associated with poor oral health, and the potential costs associated with untreated dental concerns, improving the oral health status of the Medicare population remains a serious issue to be addressed.

Prepared by Jennifer Huang, Loren Saulsberry, Anthony Damico, Rachel Licata, and Tricia Neuman.

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- <sup>16</sup> For a recent example of such legislation, see the *Comprehensive Dental Reform Act of 2012*, introduced in the Senate by Senator Bernie Sanders and in the House of Representatives by Congressman Elijah Cummings on June 7, 2012. The proposed legislation would expand access to dental care to all Medicare, Medicaid, and Veterans Affairs (VA) beneficiaries. Available at <<http://www.sanders.senate.gov/imo/media/doc/ComprehensiveDentalReformAct.pdf>>.

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Headquarters: 2400 Sand Hill Road Menlo Park, CA 94025 650.854.9400 Fax: 650.854.4800 Website: [www.kff.org](http://www.kff.org)  
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