

BenefitPort Proven Results

Improving Benefits and Cutting Costs With Direct Reimbursement



Client

Washington-based service provider with 160 employees, fully insured.

Situation

Client's dental policy was up for renewal. The most competitive carrier quoted a 23% rate increase.

Solution

BenefitPort proposed a Direct Reimbursement (DR) plan as an alternative for client's dental benefit. The move to DR resulted in 5.3% cost savings versus market in the first year. The gap increased at renewal the following year and reached 11% the year after. We anticipate the difference to continue to grow year-to-year as the trend in dental insurance rates keeps climbing.

At the same time, the DR plan improved the total coverage of employees' dental expenses. The original fully-insured plan had a \$1,000 maximum, covered 70% of preventive care and 50% of major care, was subject to Customary and Reasonable limitations, and required the use of network dentists. The DR plan has a \$1,000 maximum, covers 100% of the first \$200, 80% of the next \$500 and 50% of the next 800. In addition, the DR plan has no other limitations, reimburses for services of any dentist and even for orthodontia services.

Traditional Dental Plan		Direct Reimbursement Plan	
Crown		Crown	
50% of major care	\$ 300.00	100% of first \$200	\$ 200.00
		80% of next \$500	\$ 320.00
Routine Cleaning		Routine Cleaning	
70% of preventive care	\$ 52.50	80% of next \$500	\$ 60.00
Insurance Pays:	\$ 352.50	Insurance Pays:	\$ 580.00
Employee Pays:	\$ 322.50	Employee Pays:	\$ 95.00