Dental Intelligence

NADP Reports on State of the Dental Benefits Market

While the nation prepares for health care reform, the dental benefits market shows signs of excellent health. More than 175 million Americans, 57% of the population, were covered by some form of dental benefits at year-end 2010, according to the *NADP Annual State of Dental Benefits Market* report released in February 2012. The report indicates a significant market rebound when compared to the previous year's enrollment as the dental benefits market was valued at $38.6 billion at the close of 2010 in contrast to $36.7 at the close of 2009.

The *Annual State of Dental Benefits Market* report highlights key findings from all 2011 NADP research, which is based on data effective December 31, 2010. Based on key market trends, the report includes the following expectations for 2012:

- Enrollment trends in 2011 and 2012 should continue to improve as employment increased modestly in 2011 and will likely continue to improve in 2012.
- As the US economy continues to expand, anticipate the following:
    - Price competition should ease as more employers and individuals seek out dental benefits
    - Easing price pressures will make transition to a new regulatory environment easier to manage for dental plans
    - The Dental Benefits Industry should continue to consolidate somewhat as companies seek to achieve greater economies of scale, but that trend may change as the market for dental benefits improves.
- Between 2008 and 2011 there was significant growth in the percentage of employers with 25 to 100 employees offering dental.

NADP continues to monitor and advocate for favorable federal and state regulations that will affect the dental benefits industry. Key issues on the 2012 radar include:

- Year-end Affordable Care Act Conformity Bills (based on election results) covering Exchanges, Essential Health Benefits, Market Reforms, brokers and agents
- Non-Covered Services legislation
- All Payers Claims Database (APCD) legislation

The NADP *Annual State of the Dental Benefits Market* offers a high level national summary. NADP also publishes 51 State Fact Sheets with similar types of data. All reports are available in "Mall" section of nadp.org.

National Association of Dental Plans (NADP), a Texas nonprofit corporation with headquarters in Dallas, Texas, is the "representative and recognized resource of the dental benefits industry." NADP is the only national trade organization that includes the full spectrum of dental benefits companies operating in the United States. NADP's members provide Dental HMO, Dental PPO, Dental Indemnity and Discount Dental products to 160 million Americans, 90% of all Americans with dental benefits. For more updates on the dental benefits industry subscribe to the weekly e-newsletter, NADP SmartBrief via www.nadp.org.