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maximum rollover feature and a monthly switch option, to its group dental product portfolio. The DentalGuard Basic and Basic Plus plans were created for companies that need lower-cost dental coverage as an alternative to Guardian's rich DentalGuard plan. Maximum rollover is an option that allows DentalGuard members to roll over a portion of their unused annual maximum into a personal maximum rollover account. And the company's monthly switch option enables employees to switch between a PPO and a DHMO plan every month, unlike traditional dual choice plans, which allow only annual election changes.

"Surveys indicate that brokers believe flexibility is one of our main strengths," Foley points out. "It makes their jobs easier because they can give employers a choice of many plans to hit their desired price point. That helps on both new business and renewals." Planholders, he adds, "like flexibility for the same reason. They want to partner with a carrier that they believe is a dental expert, and

flexibility enables us to take a consultative approach." Specifically, he continues, customers seem to favor the company's buy-up plans, different deductibles and maximums in- and out-of-network, and the new max rollover product. The strategy moving forward, he adds, is to "differentiate ourselves on service and the strength of our relationships with our customers."

For its part, The Principal Financial Group, Des Moines, was recognized as the fastest-growing dental carrier in the United States in the LIMRA survey. The carrier increased sales of its employer-sponsored group dental plans by nearly 66% based on the percent of change to annualized premium. The company also increased its voluntary dental plan sales by 64% during 2004.

Theresa McConeghey, dental product director there, attributes much of the company's success to the Principal Dental Series, which it calls "one of the most flexible dental products offered in the marketplace." The product was introduced to marketers in the fall of 2003 and was available for January 2004 sales. "The

Principal Dental Series offers marketers and their clients the ability to find almost any price point within any employee benefits budget,"

McConeghey notes. "Not only do our customers have a full spectrum of benefit ranges -- including deductibles, maximums and co-insurance -- but the Series allows them to customize the provisional levels affecting certain procedural categories, such as oral surgery, endodontics, and periodontics."

The Principal has also made "great strides" in increasing its managed care network options, it says in a statement. In 2002, it had nearly 48,000 national providers. Today, through the growth of the Principal Plan Dental Network PPO and its leasing arrangements with other managed dental care networks, the firm boasts 74,000 providers under management. "It's that ongoing commitment to finding inventive products and services to help our clients meet their dental needs that's going to provide us continued success," McConeghey comments, "and allow us to lead the industry for the benefit of our customers." ■

MANAGED DENTAL ONLINE

Plans See Internet Technology Expanding, Improving

The technology that backs up dental benefits is dramatically expanding its scope even as it comes closer and closer -- through consumer-directed plans -- to patients themselves. And the major dental plans have already stepped up to the plate, developing new front- and back-office systems and services to maximize breakthrough technologies.

"Historically, plans have focused on optimizing back-office operations," notes **Shankar Rao**, director of information technology at PacifiCare Dental and Vision, Santa Ana, CA. "As the current shift towards consumer-driven care

evolves, we will see the technology focus moving closer to the consumer as well. It becomes all about providing transparency to members so they are able to understand the value proposition of the various choices available to them, whether it be benefit design, quality of care, or where their dental care dollars are going."

Toward that end, he points out, PacifiCare's efforts are focused on three areas. One is "developing a next-generation, consumer-friendly portal that not only allows our members to execute their self-service transactions, but also provides them with the ability to better understand

the value proposition of the various plan choices. It also allows them to educate themselves and manage their dental care options." A second focus, he adds, is "taking advantage of some of the advances in contact center technologies to improve the effectiveness of interactions with our various constituencies via multiple contact channels." Finally, he reports, PacifiCare is working on "supporting the next generation of consumer-driven benefit designs."

Plantation, FL-based CIGNA Dental & Vision sees much the same trend in dental benefits technology, reports **Laurie Flebotte**, CIO there.

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"All of the key constituents -- employers, members and providers -- have varying needs that will require different technology solutions," she says. "Functionality like Post-N-Track" -- an online service now available to CIGNA dental providers -- "will be helpful to some, but may not be an answer for every provider."

Indeed, she stresses, "we as an industry are moving out of a 'one-size-fits-all' environment to one that demands a 'solution that fits my needs.' The informational and transactional needs may be similar for a group, but subsets within that group will prefer different channels and/or solutions. Look at banking. You can access information online, via a voice system or at a branch office."

The Internet will be a key component of any move to beef up benefits technology, notes **Patrick Steele**, CIO at Delta Dental of California, San Francisco. "Dental is on the verge of embracing technology for the benefit of its constituents," he reports. "By providing technology across all boundaries of the dental benefit delivery system, the experience for providers, subscribers, brokers, agents and -- most importantly -- customers will be improved considerably and will add value to the process. Use of the web and its ability to simplify the delivery of dental benefits and dental healthcare will become prominent in the next five years."

Indeed, California's largest dental plan recently announced the launch of a new online claims status inquiry service for the millions of California enrollees who access dental health benefit information via its web site. Officials with Delta California also recently announced the launch of Dental Wire, an online dental health enrollee newsletter, and "state-of-the-art" encryption software that secures the company's transmission of electronic personal health information. "Our expanding online capabilities cater to the grow-

ing needs and expectations of those looking to optimize the value of their Delta program online in a real time, self-service environment," he comments. "They are only a few of many enhancements to come, and which are planned as part of our evolving web strategy."

The new claims status inquiry feature offers display of the patient's portion of a claim, adjustment notices, and information on claims in progress. Subscribers and providers access the new service via secure registration and login, similar to Delta's existing web-based eligibility and benefits feature. According to Steele, more than 130,000 California enrollees are already registered on the company's site to use the service, "which in turn helps reduce the number of enrollee phone calls and the number of duplicate notice of payments generated if there is an enrollee inquiry regarding the status of a claim."

Online claims status inquiry has been available to participating Delta dentists since 2000. But new federal Health Insurance Portability and Accountability Act regulations are leading many employers to become more interested in making sure their employees can easily access their own benefits information without using their employer as the go-between. Dental Wire, for example, is a free online newsletter that provides dental health tips, ideas for optimizing covered benefits, links to puzzles and games for kids, and relevant health care industry news. The new encryption software encodes all e-mails that contain electronic protected health information sent by Delta to enrollees, benefits managers, brokers, and dentists. That protects private information from being accidentally read or misused if an e-mail is intercepted by an unauthorized individual.

At Laguna Hills, CA-based LastAPP.com, the cost of a completed application for the firm's online credentialing services has been cut almost in half. "For the past 18 months, we have provided an

Internet-based service for practitioners to fill out and store just one online electronic credentialing profile and use that profile to create, update and download credentials onto any of the 'pre-mapped' health plan applications housed in our extensive online library," says **Jeffrey Nakamura**, director of product development for VeriPoint/CreDENTALS Services, which operates the LastAPP.com service. "The price for the service has until now been just \$4.95 per completed application. However, we are cutting the price to only \$2.95."

LastAPP.com does not require extra software to download or access applications, nor does it require a monthly or yearly subscription fee, as charges to a practitioner are made only for the applications that are used. Free, secure storage of all the practitioner's relevant credentialing information can be printed with the click of a mouse to any application form in the company's library. The site is described as "impressive" by **Sue Pearson**, contracting manager for Bright Now! Dental, Santa Ana, CA. "Because of the constant struggle to keep up with credentialing demands from so many different sources and formats, LastAPP has helped to jump-start Bright Now! Dental's internal process by using one credentialing form with one website service to get our providers through each application process faster than before," she says.

Isn't all that functionality expensive? Yes and no. "Technology is clearly an area of capital investment for any organization today, including dental plans," Flebotte tells *Managed Dental Care*. "The market has told us that technology cannot drive up premium costs, and instead we need to look to technology to drive costs out of the system." She adds: "Some key aspects of a sound technology investment decision include alignment with the plan's business strategy, diligence in return-on-investment analysis,

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scrutiny and evaluation of emerging technologies, and a post-implementation analysis of realized versus expected results."

Steele agrees that technology should save more than it costs.

"Done properly, technology investments will drive the costs of providing claims delivery services down," he explains. "By solving as many problems as possible at the source of the claims process, many of the back-end costs can be eliminated. To make that happen, improved tools for claims submission and adjudication must be coupled with improved means by which all constituents can get at information that will answer their questions and solve their problems."

Of course, costs -- even costs that are essential investments -- are never easy to deal with. "I am not sure we have much choice here in terms of passing those costs on to the consumer," Rao tells *Managed Dental Care*. "Hopefully, some of the dollars we have been investing in back-office operations can be shifted to building the consumer-driven platform. It is tougher for the dental side of the business compared to the medical side because as a percentage of premium dollars, we have a much smaller number to play with."

That situation is unlikely to change any time soon, given the rapid pace of change in dental benefits technology. Electronic transactions and use of the web "will continue to expand and evolve with technology," Flebotte predicts. "I expect we will see 'real-time' access become the standard. Evolution in voice recognition technology will continue to improve, and digitized radiographs will continue to expand their market share." Also, she says, "imagine this: You pull up the provider's practice website, log on using a secure user name and password, complete some online information, and set up your next appointment. In the background, the

dentist's system validates your coverage with the insurance carrier using the information you supplied and checks your online dental record to ensure you are scheduling the right appointment length and practitioner per your treatment plan."

Along with enabling you to schedule the appointment with your favorite hygienist and confirming that you really do need X-rays with that cleaning, she continues, "the system checks with the carrier again and returns an estimated cost based on your plan information. That evening, you get an e-mail that confirms the appointment, and the day before your appointment you get an automated call reminding you of your appointment the next day. And you can do all that from your PC, cell phone or PDA." That type of experience, she notes, will require new levels of interaction and interoperability across many systems -- "but it is possible in 10 years, maybe less."

Steele sees great things to come as well. "Internet access, electronic dental health records, and online dental health information all directed toward patients' needs will become commonplace," he tells *Managed Dental Care*. "With a single source of

dental health information for each patient, the complete claims delivery service will be more effective and value will be added for all constituents." Indeed, Rao adds, "10 years from now, consumers should be able to manage the full lifecycle of their dental care online, starting from selecting the best plan for their needs, enrolling online, viewing their dental care choices, selecting the providers that best fit their needs, and having a history of their care online."

Rao, Flebotte and Steele discussed "Technology in Action: What are Plans Doing?" at the California Association of Dental Plans' recent "Technology and the Dental Marketplace: Are We Falling Behind?" ■

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