



DENTAL TRADE ALLIANCE

ADVOCACY ISSUES:

- » Sunshine Act Reform
- » Medical Device Tax Repeal
- » Action for Dental Health (H.R. 2422)

ORAL HEALTH IN THE UNITED STATES

Oral Health is an integral part of overall health.

Facts about oral health: About 1 in 5 children and 1 in 4 nonelderly adults have untreated tooth decay. Students lose more than 51 million school hours and employed adults lose over 164 million work hours annually because of dental problems. Tooth decay is the most common chronic illness among school-age children. One of the top ten reasons for emergency room visits is dental pain.

Consequences of poor oral health include complications of major chronic conditions, pain, impact on children's growth and development, nutrition problems, late detection of oral cancers, loss of teeth, missed school days and work, and expensive emergency room use. Research shows that diabetes increases your risk of oral disease and infection and poor oral health can make diabetes more difficult to control. Several types of cardiovascular disease may be linked to oral health, such as clogged arteries, stroke, and bacterial endocarditis. Gum disease has been linked to premature birth.

Government programs: Dental benefits are mandatory for children in Medicaid, but optional for adults. Medicare does not provide coverage for routine dental care.

DTA IS MAKING A BUSINESS CASE FOR ORAL HEALTH

If every American had a dental appointment every year, the overall health of the nation would improve.

DTA is working to increase awareness that proper oral health care will save dollars that would be spent on medical care; especially for those with chronic diseases:

- » In 2014, more than one in every six U.S. dollars went to health care (\$3 trillion total).
- » The U.S. Healthcare System could save more than \$29 billion if 60% of all diabetic adults received periodontal treatment.
- » Diabetes patients who received periodontal treatment had better health outcomes. Additionally, the improved outcomes saved medical costs.

There is real potential for billions in savings for the system (and thousands for individuals) by promoting dental care. This would save taxpayer \$ while providing a dental benefit to those who need it most.

DTA SEEKS REFORM OF THE SUNSHINE ACT

Position

The Dental Trade Alliance (DTA) believes the burden of reporting costs for dental manufacturers far exceeds any intended benefit of transparency in relationships with providers. DTA urges Congress to consider exempting small volume health professionals, including dentists, from coverage under the Sunshine Act as a way to reduce unnecessary burden.

Under the Merit-based Incentive Payment System (MIPs) for Medicare Part B, clinicians who bill less than or equal to \$30,000 in Medicare Part B allowed charges OR provide care for 100 or fewer Part B-enrolled Medicare beneficiaries in a designated period are exempt from MIPS. DTA feels this too would be a reasonable threshold for exemption from the Sunshine Act.

The vast majority of dental consumable products and equipment are low cost items and the choice of product will not influence patient care. The potential programs savings anticipated by the reporting requirements likely would be minimal at best given dental benefits are not a standard benefit covered by the Medicare program.

Background

The Physician Payments Sunshine Act (PPSA)--also known as [section 6002 of the Affordable Care Act](#) (ACA) of 2010--requires medical product manufacturers to disclose to the Centers for Medicare and Medicaid Services (CMS) any payments or other transfers of value made to physicians or teaching hospitals. It also requires certain manufacturers and group purchasing organizations (GPOs) to disclose any physician ownership or investment interests held in those companies. The data is published annually in a publicly searchable database.

This provision requires device manufacturers to report payments or transfers of value to dentists that exceed \$10. While dentists are covered under the definition of physician, dentists represent an insignificant portion of health care expenditures in federal programs. According to CMS, in it's National Health Expenditures report, total expenditures for dental services in Medicare and Medicaid programs covered by this provision totaled \$7.98 billion in 2013. That amounts to less than one percent of total expenditures for these programs. Equipment and supply costs in dental practices (which translates into the dental industry share) amount to less than 8 percent of the total practice income according to the American Dental Association.

DTA URGES REPEAL OF MEDICAL DEVICE TAX

Position

The Dental Trade Alliance opposes the **medical device excise tax** and believes it disproportionately affects dental companies. DTA is thankful Congress recently suspended this burdensome tax for a second two-year period, but respectfully urges Congress to fully repeal the tax.

Background

The Dental Trade Alliance is a trade association representing distributors, manufacturers and laboratories that manufacture and supply products and services to oral health professionals. The total number of employees in our industry is over 39,000. While we are a small portion of the total expenditure for health care, the importance of good oral health is increasing as more and more studies show a link between oral health and health in the rest of the body. Diabetes and cardiovascular disease are linked to oral disease. In fact, many studies have shown that providing oral health care for people with these chronic diseases would actually lower related medical costs.

The 2.3% medical device tax imposed by the Affordable Care Act (ACA; P.L. 111-148) in 2010 was one of a number of additional revenue-raising provisions to finance health reform. This tax, which took effect in January 2013, could amount to over \$100 million a year for the dental industry.

We are concerned that the excise tax on medical devices disproportionately affects dental companies. In fact, the tax equals 40 times the potential benefit from additional profits because additional dental coverage under the ACA was very limited. The initial claims that there would be 'windfall' profits resulting from increased health care coverage is not the case for dental companies. Because of this we are concerned that any increase in the cost of dental care resulting from the added tax will affect access to oral care.

DTA URGES SWIFT SENATE PASSAGE OF THE ACTION FOR DENTAL HEALTH ACT (H.R.2422)

Position

The Dental Trade Alliance (DTA) urges the Senate to take up the **Action for Dental Health Act (H.R.2422)**, sponsored by Rep. Robin Kelly (D-IL). DTA believes this legislation can have a profound impact on access to necessary dental services in the U.S.

The House of Representatives passed H.R.2422 on February 26, 2018 by a vote of 387-13.

Background

H.R. 2422 was introduced on May 15, 2017 and reauthorizes the oral health promotion and disease prevention activities at the Centers for Disease Control and Prevention (CDC), expanding initiatives to enhance oral health education and community-wide dental disease prevention. The bill also reauthorizes the Health Resources and Services Administration's (HRSA) Grants to States to Support Oral Health Workforce Activities, increasing access to dental care in underserved communities.

Many oral conditions, such as tooth decay and gum disease, can be avoided by straightforward preventive measures, such as regular cleaning and water fluoridation. Yet good oral health remains an unmet medical need for many Americans. According to the CDC, on average, the nation spends more than \$113 billion a year on costs related to dental care. Targeting resources to facilitate the provision of dental services to those in need, in addition to improving oral health education will help prevent dental diseases before they start. This will ultimately reduce medical complications, emergency room visits, and poor dental health outcomes in underserved communities.

The Dental Trade Alliance (DTA) is an association of companies that provide dental equipment, supplies, materials and services to dentists and other oral care professionals. Our member companies are distributors, dental laboratories and manufacturers, located in the United States, Canada and Mexico. By providing the best equipment, materials and services to dentists and oral care professionals, we are partners in improving the oral health of everyone.

Please contact Patrick Cooney at 202-347-0034 x101 or via email at Patrick@federalgrp.com if you have questions about this brief or other health policy matters.