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## ADA NSW Fact Sheet - Understanding the Cost of Dental Services

### Background:

The majority of dental care in Australia is provided in a private setting on a fee-for-service basis.<sup>1</sup> The costs of running a dental practice are high and in the private sector, fees are required to cover the costs of practice overheads and remuneration of oral health service providers.<sup>2</sup> Funding for public dental services covers treatment for only around 20% of those eligible for public dental care.<sup>3,4</sup> 1.2 million people in NSW and 48,000 people in ACT avoided or delayed going to the dentist in the last year<sup>5</sup>, with cost being the most important reason for avoidance.<sup>6,7</sup> About half (51%) of all Australians have private health insurance (PHI) with extras cover<sup>8</sup> that offsets some of the costs of dental treatment, however even these individuals still generally pay approximately 50% of the cost of dental treatment out-of-pocket.<sup>7</sup> The costs of dental care disproportionately affect low income households, those without PHI, women, the middle-aged, people living outside metropolitan areas and Indigenous people.<sup>10</sup> Regular dental visits are associated with reduced disease burden, while avoidance of dental care may result in higher rates of tooth decay,<sup>9,10</sup> gum disease,<sup>9,11</sup> tooth loss,<sup>9</sup> pain<sup>9</sup> and negative psychosocial consequences.<sup>9</sup> People with PHI extras cover are more likely to visit the dentist regularly for a check-up than those without.<sup>12</sup>

### Facts:

- Regular dental check-ups help patients to understand their oral health needs and provide opportunities for preventive therapies. Those who can't access regular check-ups may not be aware that they require treatment until they experience pain or other symptoms. Delayed or infrequent dental visiting often makes treatment needs more difficult and more costly to address.<sup>9</sup>
- Unlike medical services provided by Medicare, there are no scheduled fees for dental services.
- Overall, individuals directly fund a significant proportion of total expenditure on dental services (58% in 2016–17).<sup>4</sup>
- There are significant costs associated with running a dental practice, where equipping, operating and maintaining each dental surgery is more comparable to the costs of an operating theatre than a medical office. Direct costs include but are not limited to equipment, materials, salaries, utilities, occupancy, insurances, laboratory fees, depreciation and interest. These costs are reported to be 50-65% of fees charged.<sup>13,14</sup> Indirect costs stem from years of tertiary education, continuing education, risk and compliance.
- Cost is by far the most important reason Australians don't see a dental professional when they need care<sup>6,7</sup> with 1.2 million (16.3%) people in NSW and 48,250 (12.5%) people in the ACT having avoided or delayed going to the dentist in the past year (2013-14).<sup>5</sup> About a fifth of adults who did go to the dentist report that the cost prevented them from obtaining the recommended treatment.<sup>15</sup>

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- Thirty-two per cent (32%) of people (5 years and older) reported avoiding dental care due to cost. People ineligible for public dental care were more likely than those eligible for public dental care to avoid or delay visiting a dentist due to cost.<sup>1</sup> Those in the lowest annual household income group (41%) had higher rates of avoiding or delaying a visit to a dentist due to cost than those in the highest annual household income group (17%).<sup>10</sup>
- Around 3 in 10 (28%) people aged 18 years and over stated they would have difficulty in paying a \$200 dental bill<sup>4</sup> and nearly half of low-income adults report that they would have difficulty paying a \$150 dental bill; for high-income adults the figure is only 8.5 per cent.<sup>7</sup>
- People at all income levels are more likely to skip the dentist than other types of health care. However, people living in areas of most socio-economic disadvantage (24.3%) were more than twice as likely to delay seeing or not see a dental professional due to cost than those living in areas of least disadvantage (11.4%). The rates of delaying or avoiding treatment for oral health conditions in Australia is significantly higher than for medical conditions. 18% of people for oral health vs 4% for general medical services and 7% for specialist medical services.<sup>6</sup>
- Cost was less likely to prevent recommended dental treatment for children aged 5–14 years (6.0%) than for adults aged 25–44 years (28%). Adults aged 25–44 years and 45–64 years were the most likely to not receive recommended dental treatment due to cost, 28% and 26% respectively. People aged 45–64 years (16%) were more likely to report that dental visits were a large financial burden than any other age group.<sup>10</sup>
- People without insurance were more likely to report that cost prevented recommended dental treatment (25%) than those with insurance (16%) and had higher rates of avoidance due to cost than those with insurance, 44% and 20% respectively.<sup>10</sup>
- Funding for public dental services covers treatment for approximately 20% of those eligible for public dental care.<sup>7</sup> Approximately, 30% of entitlement card holders have private dental insurance and receive adequate dental care from the private sector, leaving a remaining 50% of those eligible without insurance and unable to access public dental care.<sup>10</sup>

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## Appendix 1:

### Government Schemes for Oral Health Services

- All children under 18 years of age in NSW, who are eligible for Medicare benefits, are eligible for free dental care provided by the public sector within their local health district
- All children under 5 years of age and eligible children between 5-18 years of age who are covered by a current Centrelink Concession card can access free dental care provided in the ACT public sector. All children aged 5-14 years of age who live or attend school in the ACT can access public dental care for a standard fee of \$69.10 per child per “Course of Care”.
- Child Dental Benefits Schedule provides \$1000 for dental services provided by private or public dental providers over 2 calendar years for children aged 2 to 17 years eligible for Medicare and who receive eligible Centrelink payments (eg Family Tax Benefit A).
- Adults are only eligible for public dental care in NSW and the ACT within their local health district if they hold a Medicare Card and are listed as a dependent on a valid Australian Government concession card (Health Care Card, Pensioner Concession Card or Commonwealth Seniors Card).
- Oral Health Fee for Service Schedule is administered by NSW Health Oral Health Services at the discretion of each Local Health District and provides vouchers for eligible patients to attend private dental providers for specified oral health services.
- Cleft Lip and Cleft Palate Scheme for patients eligible for Medicare benefits with a cleft lip, a cleft palate, or other eligible condition to receive limited treatment by Orthodontists, Oral and Maxillofacial Surgeons, Paediatric Dentists and General Dentists who are registered with the scheme.
- Department of Veterans' Affairs (DVA) funds dental services, provided under DVA arrangements, necessary to meet clinical needs for Gold Card holders. For White Card holders, dental treatment is only provided in relation to accepted disabilities.

To locate your Government Oral Health Clinic:

NSW: <https://www.health.nsw.gov.au/oralhealth/Pages/call-centre-search.aspx>

ACT: <https://health.act.gov.au/services/dental>

To locate a private dentist in your area: <https://www.ada.org.au/Find-a-Dentist>

For information on the Child Dental Benefits Schedule:

<https://www.humanservices.gov.au/individuals/services/medicare/child-dental-benefits-schedule>

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For information on the Cleft Lip and Cleft Palate Scheme:

<https://www.humanservices.gov.au/organisations/health-professionals/services/medicare/cleft-lip-and-cleft-palate-scheme-health-professionals#a2>

For information on the NSW Health Oral Health Fee for Service Scheme:

<https://www.health.nsw.gov.au/oralhealth/Pages/nsw-oral-health-fee-for-service-scheme.aspx>

For information on the Department of Veterans Affairs Dental Scheme:

<https://www.dva.gov.au/providers/dentists-dental-specialists-and-dental-prosthetists>

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