

Cost of a Dental Care Plan for Canadians

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Implementing a dental care plan for Canadians. The plan is expected to cover the costs of routine care, fluoride treatments, radiographs, sealants and other combinations of caries treatments, dentures, and periodontics. Households with an income below \$90,000 may benefit from the plan. A phase-in period lasting from 2022 to 2025 will gradually expand coverage to those eligible.¹ Households with an income below \$70,000 per year will bear no cost. Co-payments scale linearly for households with income between \$70,000 and \$90,000. The thresholds are indexed to inflation.

5-Year Cost

\$ millions	2022-23	2023-24	2024-25	2025-26	2026-2027	Total
Total cost	939	2,699	1,394	2,293	1,712	9,036

Detailed 5-Year Cost

	2022-23	2023-24	2024-25	2025-26	2026-2027	Total
Cost	1,062	3,054	1,565	2,558	1,936	10,176
Cost recovery	-123	-355	-171	-266	-224	-1,140
Total cost after recovery	939	2,699	1,394	2,293	1,712	9,036

Notes

- Estimates are presented on an accruals basis as would appear in the budget and public accounts.
- Positive numbers subtract from the budgetary balance, negative numbers contribute to the budget balance.
- Totals may not add due to rounding.

Estimation and Projection Method

PBO estimated the potential beneficiary population using demographic forecasts and historic utilization rates. The subset of those eligible in a given year based on the phase-in process was then estimated. Behavioral effects were considered. Routine procedures applied to the entire eligible beneficiary population. Disease treatments were determined by the prevalence of the disease in an age group. Those with untreated diseases would receive treatment within the first fiscal year in which they were eligible. Beneficiaries will be treated for any new diseases that may arise with the passage of time. Costs were grown using historical fee increases. Administration costs were accounted for in the estimate.

¹ In 2022 the plan will cover those 12 and under. In 2023 the plan will cover those 18 and under, seniors and those living with a disability. In 2025 there will be full program implementation.

Sources of Uncertainty

If the beneficiary population or utilization rate exceed expectations, then costs will increase. If the set of procedures to be provided increases, costs will increase. Changes in the rate of fee increases, inflation, or the prevalence of diseases would also influence costs.

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Data Sources

Variable	Source
Disease prevalence	Canada Health Measures Survey
Demographic information	SPSD/M 29.0 and PSD/M Health ²
Disability Prevalence Rates	Statistics Canada
Procedure costs	Telus Health Analytics Dental Data Metrics
Dental practitioner fee increases	Buck
Unemployment and inflation rates	PBO
Administrative Costs	Canada Institute for Health Information

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² This analysis is based on Statistics Canada's Social Policy Simulation Database and Model (SPSD/M). The assumptions and calculations underlying the PSD/M simulation results were prepared by the Office of the Parliamentary Budget Officer (PBO) and the responsibility for the use and interpretation of these data is entirely that of the PBO.