Dental Plans: A Dentist's Guide

Dental plans are important for your dental practice because they help patients afford the dental care they want. To make these plans work best for you and your patients, it's important to understand how they work and your role in the administration of these plans.

What are Dental Benefit Plans?

Dental benefit plans are financial products offered by insurance companies. They help cover some of the expenses for dental care received by plan members and their eligible beneficiaries. While they are often referred to as "dental insurance" because insurance companies sell them, they are quite different from other types of insurance, such as auto or home insurance.

Dental plans are designed to assist with the routine expenses of oral health care and usually do not provide significant coverage for unexpected, major events like facial injuries and broken prostheses. In simple terms, dental plans focus on regular dental costs, while other types of insurance, like car and home insurance, protect against rare and significant incidents but don't help with everyday maintenance expenses.

Who Buys Dental Plans?

While individual dental plans exist, almost 90% of patients with coverage are part of group plans. Employers usually buy group plans and offer them as part of their employees' compensation packages. In most cases, your patient isn't the customer of the insurance company; it's the employer, also called the plan sponsor, who bought the plan that covers your patient. This means the insurance company's main focus is managing the plan according to the contract they have with the employer, and not necessarily to serve your patient directly.

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How do Dental Plans Work?

In Canada, dental plans usually operate without any formal relationship between insurance companies and dentists who provide care. Many insurance companies want to change this to have more control over how their plans are delivered. However, Canadian dentists have resisted this change to ensure that insurance companies don't interfere with their patient relationships. This lack of a formal or contractual agreement between dentists and insurance companies allows dentists to maintain control over services they provide and fees charged to patients.

Having a patient with a dental plan shouldn't disrupt your usual workflow. On the clinical side, you have the same responsibilities: examining the patient, making a diagnosis, creating a treatment plan, and getting informed consent before providing any services. From an administrative perspective, you must meet all the necessary documentation requirements, bill the patient for the total service cost you have rendered, and ensure they understand they're responsible for paying the entire bill.

Dental plans only come into play after you've completed the billing process, when insured patients may ask you to help them prepare a claim for reimbursement, either in full or in part, for the services you provided. While you're not obligated to assist with claim preparation, patients expect this service from their dental office. Providing it is a way of recognizing that dental benefits help patients access more of the care they need.

At a minimum, it is a good idea to agree to complete Part 1 of the Standard Dental Claim Form. This includes detailing the services rendered, the fees charged, and the certification of the statement's accuracy. However, be cautious with this certification because it commits you to ensure the statement is accurate and to cooperate with reasonable requests from insurance companies to verify it. Instead of using a paper claim form, ask your patients' permission to submit the claim electronically with CDAnet/ITRANS. This method almost always leads to faster adjudication responses and quicker claim payments, sometimes even before the patient leaves your office.

What is Predetermination?

Before you start any dental treatment, it's important to gain informed consent from your patient, which includes making sure they understand the costs of the proposed treatment and services. For patients with dental benefit plans, this could mean helping them understand how much their plan will cover. The best way to do this is by assisting them in filing a predetermination request.

Predetermination requests contain the same information as claims, except for the certification that the services have already been provided and that the fee is due. Insurance companies evaluate (adjudicate) these requests and reply with a predetermination of benefits. This document shows the coverage available to your patients at the time when the request is adjudicated, helping them decide whether to proceed with a treatment plan or not.

What is Assignment of Benefits?

The assignment of benefits is a process where a patient asks you or your office to use the benefit available through their dental plan to cover part of their bill. In return, patients tell their plan administrators to send that benefit directly to their dentists. Some people call this "direct billing," but that term is not accurate so try to avoid using that language. Dentists don't have agreements to send bills directly to insurance companies and insurance companies do not pay dentists' bills. Instead, dentists always bill patients, and patients are always responsible for paying their entire dental bill. Insurance companies process claims and pay benefits to plan members.

Not every dental office accepts the assignment of benefits. This is a decision every dental office has to make. Making this decision will require weighing the risks against the benefits for the office and may depend on local circumstances.

Five Essential Reminders:Treating Patients Who are Dental Plans Beneficiaries

1. Treatment Goals Remain Unchanged:

- Dental plans don't alter your treatment objectives; they enhance affordability for patients to access necessary care.

2. Independent Operations:

- Dentists and insurance companies operate independently.
- Dentists determine the treatment needs of their patients, obtain informed consent for the delivery of treatment plans and determine the fees they charge for their services.
- Insurance companies negotiate coverage contracts with plans sponsors. It is these contracts, not the patients' needs or the fees charged by the dentist, that determine the available coverage.

3. Patient Billing Responsibility:

- Dentists do not bill insurance companies; they bill patients who are responsible for the payment of their dental bills no matter if they have a dental plan or not. Patients who are the beneficiaries of a dental plan can file claims for the reimbursement of the cost of their dental care.

4. Dentist Support for Claims:

- Dentists can assist in the filing of the claims of their patients by providing a statement of the services rendered and of the fees charged and payable and by certifying the accuracy of that statement.
- Dentists can assist patients in the filing of their claims by transmitting them electronically with CDAnet/ITRANS to accelerate the processing of the claim and the payment of the reimbursement owed.
- In all cases, the claim is made by the patient, not by the dentist.

5. Payment Process:

- Dentists cannot direct bill insurance companies. But they can accept to collect the portion of the bill that is not covered by the plan from the patient and wait for the insurance company to send them the reimbursement owed to the patient as payment for the insured part of their bill.

Glossary

Dental plan:	A financial product sold by insurance companies to facilitate the payment of dental expenses
Plan provider:	The insurance company that offers and manages the dental plan
Plan sponsor:	The purchaser of a dental plan. Plan sponsors are most often employers who include dental plans in the compensation package offered to their employees.
Plan member:	The individual to whom the dental plan is provided
Plan beneficiary:	A dependant of a plan member who is eligible for coverage under the plan
Benefit:	The payment an insurance company makes after adjudicating a claim
Claim:	A formal request to an insurance company for payment of a benefit
Coverage contract:	The legal agreement between the plan sponsor and the plan provider that sets the terms of available coverage
Assignment of benefit:	A process whereby patients ask dentists to accept the benefit available under their plan as partial payment of their bill, in exchange for which patients instruct their plan administrators to send that benefit directly to their dentists.

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