

Contract Negotiations – General Info

This guide discusses the basic mechanics of how to negotiate non-fee related clauses prior to entering into your agreement and/or when the agreement comes up for renewal.

Any contract discussions or negotiations should be done individually, between only you (or your attorney) and the payer, and not with or on behalf of other dentists. Ideally you will be working with an attorney licensed in your practice state, but you can also negotiate on your own behalf.

Before you enter negotiations with a payer, keep the following in mind:

- Negotiation is not a “win-lose” situation. Negotiating is different than elections and sporting events. You do not need to defeat the other party to “win.” Both parties can walk away feeling like they “won.”
- Preparation is the key. Negotiation starts before any direct discussion. Prepare your talking points and do your homework. Prior to discussions, know and jot down:
 - Your interests/needs
 - The payer’s interests/needs
 - Your strengths/resources
 - The payer’s strengths/resources
 - Your alternatives (“Plan B”)

This [Negotiation Prep Sheet](#) tool may be useful in preparing for your negotiation.

If they said it, and you like it, make sure that it gets into the contract. Once a written contract is signed, oral statements made by the payer during negotiations that are not put in writing are meaningless. If you are relying on any oral statements, you must insist they are written into the contract.

HOW TO PREPARE FOR NEGOTIATIONS

If and when you decide to negotiate changes to the agreement with the payer, there are a few common methods for doing so. If you are working with an attorney, your attorney will likely propose changes in the manner he or she sees fit. If you are not working with an attorney, there are a number of ways you can propose changes to the agreement.

- First, you can mark up a printed copy of the agreement with a pen by crossing out the language you don’t want and adding language you do want directly on the printed copy. Put your initials next to your handwritten changes to make clear that the changes were proposed by you.
- Second, you may be able to mark up an electronic copy of the agreement. If you have a “track changes” computer program, you can propose changes directly to the electronic copy of the agreement, in which case the changes will show up in “redlined format” (generally deletions are shown as crossed out and additions are underlined). However, this method may be limited or unavailable depending on the format of the document sent to you. For example, if the payer sends you the agreement in PDF file format, you may not be able to use a “track changes” computer program to propose changes. Instead, you may have to propose changes to the electronic copy by adding comments in the margins, or by printing the document and using the first option mentioned above.

- Finally, you can propose changes to the agreement by submitting a separate document that references the specific section numbers you want changed and inserting the changed language into this separate document. For example, in the separate document you might say: “Delete the first sentence of Section 4(a) of the agreement in its entirety and replace with the following....” This option may work best if you are proposing a significant amount of changes to the agreement.
- Of course you can also discuss changes you would like verbally with your payer representative or by email.

After all negotiations are completed, you should ask the payer to send you a clean, execution copy of the contract (with all of the agreed-upon changes) for signature. This is preferable to handwritten changes or inserts that are initialed by both parties, but either way is legally enforceable. Make sure the payer counter-signs the agreement and that you have copies of all fully executed documents, as well as any future amendments to the contract.

The ADA’s Fee Schedule Negotiations Guide discusses how to negotiate fee increases under your existing insurance provider agreement (“agreement”). Access the [Fee Schedule Negotiation Guide](#) for more details.

Additional information on contracts, processing policies and other valuable educational ready-to-use resources on innovative dental insurance solutions for dentists are available at [ADA.org/dentalinsurance](https://www.ada.org/dentalinsurance).

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