

Overview

The ADA hears from a number of dentists who are undergoing post-utilization reviews, also known as claim audits. Often these audits begin with the dental plan internally monitoring use of the dentist's claims. When this occurs, the dentist is usually unaware that his or her claims are being monitored.

What is Utilization Review?

Utilization review is defined by the National Association of Insurance Commissioners as "a set of formal techniques designed to monitor the use of or evaluate the medical necessity, appropriateness, efficacy or efficiency of health care services, procedures, or settings."

What happens when a dentist is put under utilization review?

- If a plan determines that a dentist has practice patterns that it believes warrant claims evaluation, the plan can flag the dentist in its claims system.
- When a dentist is flagged, claims for certain procedures are reviewed. Usually the dentist is asked to submit additional documentation regarding the necessity of the procedure.
- Often the dentist doesn't understand why the plan is requesting additional documentation for certain procedures.
 - *It is important to note that some plans may require that claims be sent to a different address than where you would normally send claims. If you are being audited, please be sure to send audit documentation to the correct address provided by the dental plan. Otherwise it will slow down the processing of your claim submission.*

What can you do when you are under utilization review?

- **Ask for documentation.** When a dentist is flagged in the claim system for utilization review, a clear explanation should be sent to the dentist advising the reason for the review, what procedures are being reviewed, what specific information needs to be submitted with each claim and what it will take to bring termination to the plan's utilization review. The plan is obligated to disclose the results of your review so ask for this information if it has not be shared with you.
- **Ask to be advised on how you can become unflagged.** Dentists should be advised if the review could result in an in-office audit of the patient's charts and billing records and that potential refund requests may be pursued. If the review results in a refund request, the plan should provide information to the dentist to enable him or her to appeal the decision.
- **It is a good idea to work with the plan to explain and justify potential differences in practice patterns** (e.g., a dental office that caters to elderly patients may indeed have higher utilization patterns for bridges). This is something that could be explained and taken into consideration by the dental plan. Helping the dental plan understand the rationale for your recommended treatment plans can help significantly.
- **Continue to properly and accurately document your patient records to the very last detail**, even if something appears obvious to you. It may be a good idea to submit pre-treatment estimates when you are under review, so as to minimize any surprises.

Over time if the plan is assured that treatment patterns are justified then the plan can remove the dentist from further review. However, in some instances the payer may choose to follow up with an in-office audit.

In-Office Audit

In the event of an in-office audit, plan representatives will personally visit your office to review patient files and records. The plan will request that a separate work area be set up for them to conduct the review and you will be asked in advance to have specific patient records available for review by plan representatives. Auditors and plan representatives may look at claims as far back as state laws allow. These reviews can last one or more days depending on the number of records to be reviewed.

What to know in the event of an in-office audit

- **Re-familiar yourself with your contract.** If you are contracted with the plan and have agreed to such audits, it is recommended that you read and familiarize yourself with your contract and the plan's policies before the audit begins. Dentists are also encouraged to obtain a written description of the scope of the audit procedures.
- **HIPAA considerations.** An often asked question is whether the dentist is allowed to disclose a patient's record to the plan in cases of an audit.
 - The HIPAA Privacy Rule permits a dental practice to disclose such information in response to such a request if the dental plan has or had relationships with the individuals who are the subjects of the requested information.
 - The plan's auditor can only look at the patient's records for the time the patient was part of the plan.
 - Individual patients have a right to request that disclosures not be made to a health or dental plan for services that the patient has paid for out of pocket and in full.
 - A covered dental practice may not disclose information regarding patients who are not, and have never been beneficiaries of that plan, even if a participating dentist agreement requires it. Disclosing the information may be in violation of HIPAA.
- **For additional information,** please watch the on-demand webinar titled, [A Carrier's Perspective on Compliance Audits and Utilization Management](#).

Current ADA policy on Audits of Private Dental Offices by Third-Party Payers

Audits of Private Dental Offices by Third-Party Payers (Trans.1990:540; 2005:325)

Resolved, that where the dentist is under no direct contractual obligation with a third-party payer, the decision to comply with requests for in-office audits should be made independently by the individual dentist after consulting with his or her attorney for a determination of the legal implications of such decision, and be it further

Resolved, that in those instances where the dentist has expressly agreed in a contract to comply with office audit procedures, and in the event of an audit, the dentist is encouraged to obtain a written description and scope of the audit procedures and should seek the advice of his or her legal counsel, in order to be informed of his or her rights and potential liabilities regarding such audit, and be it further

Resolved, that dentists should consider their potential legal liability under applicable state and federal privacy laws in consultation with their attorneys when negotiating contracts that oblige them to allow third-party payer audits of the practices.

Additional information on other valuable educational ready-to-use resources on innovative dental insurance solutions for dentists can be found at [ADA.org/dentalinsurance](https://www.ada.org/dentalinsurance).